

OFFICIAL STATEMENT

New Issue

This Official Statement has been prepared by the State of Wisconsin Department of Administration to provide information on the Certificates. Selected information is presented on this cover page for the convenience of the user. To make an informed investment decision, a prospective investor should read the entire Official Statement. Unless indicated, capitalized terms have the meaning given in the Official Statement.

\$27,255,000

**MASTER LEASE CERTIFICATES OF PARTICIPATION
OF 2000, SERIES A**

\$11,265,000

**MASTER LEASE CERTIFICATES OF PARTICIPATION
OF 2000, SERIES B (TAXABLE)**

**Evidencing Proportionate Interests of the Owners Thereof in
Certain Lease Payments to be Made by the**

STATE OF WISCONSIN

Acting by and through the Department of Administration

Dated: Delivery Date

Maturities: March 1 and September 1, as shown on inside front cover

Ratings AA- Fitch
Aa3 Moody's Investors Service, Inc.
A+ Standard & Poor's Ratings Services

Tax Exemption Interest on the Series A Certificates is, for federal income tax purposes, excluded from gross income and is not an item of tax preference but is subject to State of Wisconsin income and franchise taxes. Interest on the Series B (Taxable) Certificates is subject to federal income and State of Wisconsin income and franchise taxes—*See pages 11-15.*

Redemption The Certificates are not subject to optional redemption.

The Certificates are subject to mandatory redemption at par upon termination of any Lease Schedule resulting from Nonappropriation or upon an Event of Default—*See page 3.*

Security Certificates are secured by lease payments under the Master Lease Program. All series of master lease certificates of participation issued under the Program are ratably secured by a common pool of collateral. An Event of Default or Nonappropriation under any Lease Schedule constitutes an Event of Default for all series of master lease certificates of participation —*See pages 6-8.*

Purpose Provide fixed-rate funding for Lease Schedules previously financed through a variable-rate taxable revolving line of credit—*See page 4.*

Interest Payment Dates March 1 and September 1

First Interest Payment Date March 1, 2001

Denominations \$5,000

Closing/Delivery/Settlement September 27, 2000

Bond Counsel Foley & Lardner

Trustee/Registrar/Paying Agent Firststar Bank, National Association

Issuer Contact Wisconsin Capital Finance Office; (608) 266-2305; capfin@doa.state.wi.us

Book-Entry-Only Form The Depository Trust Company—*See pages 4-6.*

Annual Report This Official Statement incorporates by reference certain parts of the State of Wisconsin Continuing Disclosure Annual Report, dated December 23, 1999.

The Certificates were sold at competitive sales on September 19, 2000. The interest rates payable on the Certificates, which are shown on **the inside front cover**, resulted from bids received at these competitive sales.

September 19, 2000

MATURITIES, PRINCIPAL AMOUNTS, AND INTEREST RATES

\$27,255,000

**MASTER LEASE CERTIFICATES OF PARTICIPATION
OF 2000, SERIES A**

CUSIP	Date	Principal Amount	Interest Rate	First Optional Redemption
977087 BU8	March 1, 2001	\$4,190,000	5.00%	Not Callable
977087 BV6	September 1, 2001	3,620,000	5.00	Not Callable
977087 BW4	March 1, 2002	3,595,000	5.00	Not Callable
977087 BX2	September 1, 2002	3,035,000	5.00	Not Callable
977087 BY0	March 1, 2003	2,495,000	5.00	Not Callable
977087 BZ7	September 1, 2003	1,565,000	4.50	Not Callable
977087 CA1	March 1, 2004	1,390,000	4.50	Not Callable
977087 CB9	September 1, 2004	1,290,000	4.50	Not Callable
977087 CC7	March 1, 2005	940,000	4.60	Not Callable
977087 CD5	September 1, 2005	635,000	4.60	Not Callable
977087 CE3	March 1, 2006	470,000	4.60	Not Callable
977087 CF0	September 1, 2006	320,000	4.60	Not Callable
977087 CG8	March 1, 2007	285,000	4.60	Not Callable
977087 CH6	September 1, 2007	3,425,000	4.75	Not Callable

Purchase Price: \$27,192,683.55

\$11,265,000

**MASTER LEASE CERTIFICATES OF PARTICIPATION
OF 2000, SERIES B (TAXABLE)**

CUSIP	Date	Principal Amount	Interest Rate	First Optional Redemption
977087 CJ2	March 1, 2001	\$ 965,000	6.70%	Not Callable
977087 CK9	September 1, 2001	1,000,000	6.70	Not Callable
977087 CL7	March 1, 2002	1,035,000	6.70	Not Callable
977087 CM5	September 1, 2002	1,065,000	6.70	Not Callable
977087 CN3	March 1, 2003	1,105,000	6.80	Not Callable
977087 CP8	September 1, 2003	1,140,000	6.85	Not Callable
977087 CQ6	March 1, 2004	1,180,000	6.90	Not Callable
977087 CR4	September 1, 2004	1,220,000	6.90	Not Callable
977087 CS2	March 1, 2005	1,260,000	6.95	Not Callable
977087 CT0	September 1, 2005	1,295,000	7.00	Not Callable

Purchase Price: \$11,223,977.15

No dealer, broker, sales representative or other person has been authorized to give any information or to make any representations other than as contained in this Official Statement, and if given or made, such other information or representations must not be relied upon. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Certificates by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the State of Wisconsin or other matters contained herein since the date hereof.

The issuer is the author of this Official Statement and is responsible for its accuracy and completeness. The Series A Underwriters and the Series B (Taxable) Underwriters are not the authors of this Official Statement. In accordance with their responsibilities under federal securities laws, the Series A Underwriters and Series B (Taxable) Underwriters are required to review the information in this Official Statement and must have a reasonable basis for their belief in the accuracy and completeness of the Official Statement's key representations.

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**PARTICIPANTS IN THE
ISSUANCE AND SALE OF
MASTER LEASE CERTIFICATES OF PARTICIPATION**

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Department of Administration

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SUMMARY DESCRIPTION OF CERTIFICATES

Selected information is presented on this page for the convenience of the user. To make an informed decision regarding either series of the Certificates, a prospective investor should read the entire Official Statement

Principal Amount and Description:	\$27,255,000 Master Lease Certificates of Participation of 2000, Series A \$11,265,000 Master Lease Certificates of Participation of 2000, Series B (Taxable)
Denominations:	\$5,000 and integral multiples
Date of Issue:	Date of delivery
Record Date:	February 15 and August 15
Interest Payments:	March 1 and September 1, commencing March 1, 2001.
Maturities:	March 1 and September 1, commencing March 1, 2001 for both series of Certificates and ending September 1, 2007 for the Series A Certificates and September 1, 2005 for the Series B (Taxable) Certificates.
Redemption:	<i>Optional</i> —The Certificates are not subject to optional redemption. <i>Mandatory</i> —The Certificates are subject to mandatory redemption at par upon termination of any Lease Schedule resulting from Nonappropriation or upon an Event of Default— <i>See page 3.</i>
Form:	Book-entry-only— <i>See pages 4-6.</i>
Paying Agent:	All payments of principal and interest on the Certificates will be paid by Firststar Bank, National Association (as successor to Firststar Trust Company). All payments will be made to The Depository Trust Company, which will distribute payments to Beneficial Owners as described herein.
Security:	The Certificates and all other outstanding master lease certificates of participation are secured by lease payments under the Master Lease Program. All series of master lease certificates of participation issued under the Master Lease Program are ratably secured by a common pool of collateral. An Event of Default or Nonappropriation under any Lease Schedule constitutes an Event of Default for all series of master lease certificates of participation. As of September 1, 2000, the principal amount of all outstanding master lease certificates of participation was \$63.3 million— <i>See pages 6-8.</i>
Authority for Issuance:	The Master Lease has been entered into under Section 16.76 of the Wisconsin Statutes.
Purpose:	To provide fixed-rate funding for Lease Schedules previously financed through a variable-rate taxable line of credit— <i>See page 4.</i>
Additional Certificates:	Additional master lease certificates of participation may be issued.
Tax Exemption:	Interest on the Series A Certificates is not included in gross income and is not an item of tax preference for federal income tax purposes. Interest on the Series B (Taxable) Certificates is included in gross income for federal income tax purposes. Interest on both series of Certificates is subject to State of Wisconsin income and franchise taxes— <i>See pages 11-15.</i>
Legal Opinion:	Validity and tax opinion for the Series A Certificates and validity opinion for the Series B (Taxable) Certificates to be provided by Foley & Lardner— <i>See page C-1.</i>

OFFICIAL STATEMENT

\$27,255,000

MASTER LEASE CERTIFICATES OF PARTICIPATION OF 2000, SERIES A

\$11,265,000

MASTER LEASE CERTIFICATES OF PARTICIPATION OF 2000, SERIES B (TAXABLE)

**Evidencing Proportionate Interests of the Owners Thereof in
Certain Lease Payments to be Made by the**

STATE OF WISCONSIN

Acting by and through the Department of Administration

INTRODUCTION

This Official Statement sets forth information concerning the \$27,255,000 Master Lease Certificates of Participation of 2000, Series A (**Series A Certificates**) and the \$11,265,000 Master Lease Certificates of Participation of 2000, Series B (**Series B (Taxable) Certificates**) that each represent a proportionate interest in certain Lease Payments to be made by the State of Wisconsin (**State**) pursuant to the Third Amended and Restated Master Lease, dated April 28, 2000 (**Master Lease**) between Firststar Bank, National Association, as **Lessor**, and the State, acting by and through the Department of Administration (**Department**), as **Lessee**. The Series A Certificates and the Series B (Taxable) Certificates are collectively referred to as **Certificates**.

The Certificates are issued and secured by the Master Indenture, dated July 1, 1996, among the State, acting by and through the Department, Firststar Bank, Milwaukee, N.A., and Firststar Trust Company, and Supplemental Indentures, dated September 19, 2000, among the State, acting by and through the Department, the Lessor as successor to Firststar Bank, Milwaukee, N.A., and Firststar Bank, National Association as successor to Firststar Trust Company (**Trustee**). The Master Indenture established a trust that consists of Lease Schedules, Lease Payments, Leased Items, and other property and rights related to those Lease Schedules, including the security interest granted by the Master Lease (**Trust**). *The Trust serves as a common pool of collateral, ratably securing all series of master lease certificates of participation issued under the Master Lease Program (Program).*

The State is required under the Master Lease to make Lease Payments from any source of legally available funds, subject to annual appropriation, and the scheduled Lease Payments are sufficient to pay, when due, the semiannual principal and interest on the then outstanding master lease certificates of participation. *The obligation of the State to make Lease Payments does not constitute an obligation of the State for which the State is obligated to levy or pledge any form of taxation. The obligation of the State to make Lease Payments does not constitute debt of the State.*

This Official Statement includes by reference Parts I, II, and IV of the State of Wisconsin Continuing Disclosure Annual Report, dated December 23, 1999 (**1999 Annual Report**).

In connection with the issuance and sale of the Certificates, the Department has prepared this Official Statement, which contains information furnished by the State or obtained from the sources indicated. Capitalized terms not defined in this Official Statement have the meanings provided in the Master Lease and Master Indenture.

THE STATE

The State is located in the Midwest among the northernmost tier of states. The State ranks 18th among the states in population and 26th in land area. Wisconsin attained statehood in 1848, its capital is Madison, and its largest city is Milwaukee.

Information concerning the State, and its financial condition, is included as [APPENDIX A](#), which includes by reference Part II of the 1999 Annual Report.

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

Contact: Capital Finance Office
Attn: Capital Finance Director
Phone: (608) 266-2305
Mail: 101 East Wilson Street, FLR 10
P.O. Box 7864
Madison, WI 53707-7864
E-mail: capfin@doa.state.wi.us

THE MASTER LEASE PROGRAM

The Department created the Program in 1992, and the Program permits the State to acquire tangible property, and in certain situations, intangible property or prepaid service items (**Leased Items**), for all State agencies through installment purchase contracts. As of September 1, 2000, the principal amount of all outstanding master lease certificates of participation was \$63.3 million. Information concerning the Program, Master Lease, Events of Default under the Master Lease, Master Indenture, Lease Schedules, and master lease certificates of participation is included as [APPENDIX B](#), which includes by reference Part IV of the 1999 Annual Report.

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

Contact: Capital Finance Office
Attn: Capital Finance Director
Phone: (608) 266-2305
Mail: 101 East Wilson Street, FLR 10
P.O. Box 7864
Madison, WI 53707-7864
E-mail: capfin@doa.state.wi.us

THE CERTIFICATES

General

[The inside front cover](#) of this Official Statement sets forth the maturity dates, amounts, and interest rates for the Certificates. Certificates will mature on March 1, 2001 and semiannually thereafter on March 1 and September 1 of each year.

The Certificates will be dated their date of delivery and will bear interest from that date payable on March 1, 2001 and semiannually thereafter on March 1 and September 1 of each year. Interest on the Certificates will be computed on the basis of a 30-day month and a 360-day year. Principal of and interest on each Certificate will be payable to the registered owner of the

Certificates, which initially will be a nominee of The Depository Trust Company, New York, New York (DTC).

The Certificates are issuable as fully registered certificates without coupons in denominations of \$5,000 principal amount or any integral multiple thereof.

Redemption Provisions

Optional Redemption

The Certificates of both series are not subject to optional redemption.

Mandatory Redemption

The Certificates of both series are subject to mandatory redemption, at a redemption price of 100% of the principal of the Certificates to be redeemed, plus accrued interest to the redemption date, upon termination of a Lease Schedule resulting from Nonappropriation or upon an Event of Default.

Selection of Certificates

If the Certificates are in book-entry-only form and less than all of a particular maturity are to be redeemed, selection of the ownership interests of Beneficial Owners of the Certificates affected thereby shall be made solely by DTC and its Direct Participants and Indirect Participants in accordance with their then prevailing rules. If the Certificates 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 Certificates are in book-entry-only form, the Trustee will send a notice of the redemption of any Certificates to the securities depository not less than 30 days and not more than 45 days before the redemption date. The Trustee may revoke a notice of redemption by sending notice to the securities depository not less than 15 days before the proposed redemption date.

In the event that the Certificates are outstanding in certificated form, a notice of the redemption of any of said Certificates shall be mailed, postage prepaid, not less than 30 and not more than 45 days before the date of redemption to the registered owners of any Certificates to be redeemed, but such mailing shall not be a condition precedent to such redemption and failure to mail any such notice shall not affect the validity of any proceedings for the redemption of the Certificates. Interest on any Certificates so called for prior redemption shall cease to accrue on the redemption date provided payment thereof has been duly made or provided for. A notice of redemption may be revoked by mailing, postage prepaid, not less than 15 days prior to the proposed date of redemption to the registered owners of any Certificates to have been redeemed, but such mailing shall not be a condition precedent to such revocation and failure to mail any such notice shall not affect the validity of such revocation.

Ratings

At the State's request, several rating agencies have rated the Program and Certificates:

<i>Rating</i>	<i>Rating Agency</i>
AA-	Fitch
Aa3	Moody's Investors Service, Inc.
A+	Standard and Poor's Ratings Services.

Any explanation of the significance of a rating may only be obtained from the rating service furnishing that rating. There is no assurance a rating given to the Certificates will be maintained for any period of time; a rating may be lowered or withdrawn entirely by the rating service if in

its judgment circumstances so warrant. Any downgrade or withdrawal of a rating may have an adverse effect on the market price of the Certificates.

Sources and Uses of Funds

The Certificates are being issued for the purpose of providing fixed-rate funding for Lease Schedules previously financed through a variable-rate taxable line of credit.

The proceeds to be received from the sale of the Series A Certificates (other than accrued interest, if any, which will be deposited in the Certificate Payment Fund) are expected to be applied, as follows:

Sources:	
Principal Amount of Series A Certificates	\$27,255,000.00
Net Original Issue Premium	<u>73,958.55</u>
Total Sources	<u>\$27,328,958.55</u>
Uses:	
Funding of Lease Schedules	\$27,124,434.97
Cost of Issuance	68,248.58
Underwriter's Discount	<u>136,275.00</u>
Total Uses	<u>\$27,328,958.55</u>

The proceeds to be received from the sale of the Series B (Taxable) Certificates (other than accrued interest, if any, which will be deposited in the Certificate Payment Fund) are expected to be applied, as follows:

Sources:	
Principal Amount of Series B (Taxable) Certificates	\$11,265,000.00
Net Original Issue Discount	<u>(4,411.60)</u>
Total Sources	<u>\$11,260,588.40</u>
Uses:	
Funding of Lease Schedules	\$11,168,897.85
Cost of Issuance	55,079.30
Underwriter's Discount	<u>36,611.25</u>
Total Uses	<u>\$11,260,588.40</u>

Book-Entry-Only Form

DTC will act as securities depository for the Certificates. The Certificates will be issued as fully registered securities, registered in the name of Cede & Co. (DTC's partnership nominee). One fully registered Certificate will be issued for each maturity of each series of Certificates set forth on the **inside front cover**, each in the principal amount of such maturity, and deposited with DTC.

DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended. DTC holds securities that its participants (**Direct Participants**) deposit with DTC. DTC also facilitates the settlement among Direct Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in Direct Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is owned by a number of its Direct Participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc., and the National Association of Securities Dealers, Inc. Access to the DTC system

is also available to others such as securities brokers and dealers, banks, and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (**Indirect Participants**) (the Indirect Participants and Direct Participants are collectively referred to as **Participants**). The rules applicable to DTC and its Participants are on file with the Securities and Exchange Commission.

Purchases of the Certificates under the DTC system must be made by or through Direct Participants, which will receive a credit for the Certificates on DTC's records. The ownership interest of each actual purchaser of each Certificate (**Beneficial Owner**) is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participants through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Certificates are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Certificates, except in the event that use of the book-entry system for the Certificates is discontinued.

To facilitate subsequent transfers, all Certificates deposited by Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. The deposit of the Certificates with DTC and their registration in the name of Cede & Co. effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Certificates; DTC's records reflect only the identity of the Direct Participants to whose accounts such Certificates are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to Cede & Co. If less than all of the Certificates are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant to be redeemed.

Neither DTC nor Cede & Co. will consent or vote with respect to the Certificates. Under its usual procedures, DTC mails an Omnibus Proxy to the State as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Certificates are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Certificates will be made to DTC by the Trustee. DTC's practice is to credit Direct Participants' accounts on the payable date in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on the payable date. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of the State, Trustee or DTC, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to DTC is the responsibility of the Trustee, disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Certificates at any time by giving reasonable notice to the State. Under such circumstances, in the event that a successor securities depository is not obtained, certificates are required to be printed and delivered.

The State may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, certificates will be printed and delivered at the expense of the State.

The information in this section concerning DTC and DTC's book-entry system has been obtained from DTC; the State and Trustee take no responsibility for its accuracy.

No assurance can be given by the State or Trustee that DTC, Direct Participants and Indirect Participants will promptly transfer payments or notices received with respect to the Certificates. The State and Trustee assume no liability for the failure of DTC, Direct Participants or Indirect Participants to transfer to the Beneficial Owner payments or notices received with respect to the Certificates.

Similarly, no assurance can be given by the State or Trustee that DTC will abide by its procedures or that such procedures will not be changed from time to time. In the event that a successor securities depository is designated, it may establish different procedures.

Registration and Payment of Certificates

So long as the Certificates are in book-entry-only form, payment of principal due on the Certificates shall be made by wire transfer to the securities depository or its nominee upon their presentation and surrender at the principal office of the Trustee, which shall be the Registrar and Paying Agent on the Certificates. Payment of interest due on the Certificates shall be made by wire transfer to the securities depository or its nominee shown in the registration books at the close of business on the 15th day (whether or not a business day) of the month next preceding such interest payment date (**Record Date**) on the payment date.

When in certificated form payment of principal due on the Certificates shall be made by check or draft issued upon their presentation and surrender at the principal office of the Paying Agent. Payment of interest due on the Certificates shall be made by check or draft mailed to the registered owner shown in the registration books on the Record Date.

SECURITY FOR CERTIFICATES

General

The Certificates represent a proportionate interest in certain Lease Payments to be made by the State under the Master Lease. The State is required under the Master Lease to make Lease Payments from any source of legally available funds, subject to annual appropriation, and the scheduled Lease Payments are sufficient to pay when due the semiannual principal and interest payments on all then outstanding master lease certificates of participation. *The obligation of the State to make Lease Payments does not constitute an obligation for which the State is obligated to levy or pledge any form of taxation or for which the State has levied or pledged any form of taxation. The obligation of the State to make Lease Payments does not constitute debt of the State or any of its political subdivisions. See "RISK FACTORS; Nonappropriation".*

Common Pool of Collateral

Under the Master Indenture, the Lessor has assigned to the Trustee, for the benefit of all master lease certificate of participation holders, all its rights in the funds and accounts created by the Master Indenture, the Lease Schedules specified in Supplemental Indentures, and all Lease

Payments, Leased Items, and other property and rights related to those Lease Schedules, including the security interest granted in the Master Lease.

All Leased Items serve as a common pool of collateral, ratably securing all master lease certificates of participation issued under the Program. All master lease certificates of participation are secured by all Leased Items, regardless of their funding source or the time at which they are financed by the Program. An Event of Default or Nonappropriation under any Lease Schedule constitutes an Event of Default under all outstanding master lease certificates of participation, so any remedial action affects all master lease certificates of participation equally. Once a Lease Schedule is fully paid, the applicable Leased Item no longer serves as collateral.

In the opinion of Bond Counsel, the transfer of Lease Schedules by the Lessor to the Trustee constitutes a true sale and not a secured transaction. The State's obligation to make Lease Payments does not depend upon any service provided by the Lessor, and thus the transfer of Lease Schedules would be unaffected by any insolvency of the Lessor.

Reserve Fund

The Master Indenture allows for the funding of a reserve fund for any specific series of master lease certificates of participation. No reserve fund has been established for the Series A Certificates or the Series B (Taxable) Certificates. As of September 1, 2000, no reserve funds apply to any outstanding master lease certificates of participation. In the event that the Department of Administration establishes a reserve fund under the Master Indenture, the amounts in the reserve fund will only be available to the series of master lease certificates of participation for which the reserve fund is authorized.

Governmental Use

The State will certify that each Leased Item will be used to perform a governmental function. Though the State does not certify them as such, some of those functions may be considered "essential" government functions. Examples of Leased Items currently existing in the Trust include expansion of the State's central mainframe computer and various information technology items that provide various automated services and information technology upgrades for the State. See APPENDIX B for a detailed listing of all outstanding Lease Schedules.

Centralized Control and Review

The Program structure allows one division (the Division of Executive Budget and Finance) within the Department of Administration to centrally administer many Program activities. Program functions related to administration, review, and day-to-day operations occur in the Capital Finance Office. Program functions related to review and biennial budget preparation occur in the State Budget Office. Program functions related to collection of Lease Payments occur in the State Controller's Office.

Two-Phase Financing Structure

The State currently uses a two-phase financing structure for the Program. In the first (or acquisition) phase, all Leased Items are initially financed with proceeds from a revolving credit facility. The revolving credit facility is a line of credit, and the State, acting on behalf of the Trustee, requests draws from the revolving credit facility only for amounts equal to invoices presented to the Program for payment. A master lease certificate of participation has been issued to the current provider of this revolving credit facility, Bank of America NT&SA, evidencing the State's repayment of balances under the facility. The State pays interest on funds provided by the facility based on a variable, taxable interest rate. Use of this line-of-credit approach eliminates any nonorigination risk for the second phase since an obligation is created only after the Leased Item has been installed and accepted and an invoice has been presented for payment.

In the second phase, the State, acting on behalf of the Trustee, sells additional master lease certificates of participation to refinance the revolving credit facility with proceeds of a fixed-rate, and most often tax-exempt, financing. All sources of financing for the Program are issued under the Master Indenture. See “**SECURITY FOR CERTIFICATES; Common Pool of Collateral**”.

Appropriation Process

The central control of the Program provides the State Budget Office with knowledge of all past, current, and pending scheduled Lease Payments due under the Master Lease. Lease Payments due under the Master Lease are not included in the State budget as a separate budget line item; rather, Lease Payments are included with other expenditures in one or more of an agency’s existing budget lines. The Secretary of the Department of Administration, under the direction of the Governor and with assistance from the State Budget Office, compiles all budget information and prepares an executive budget consisting of the planned operating expenditures and revenues of all State agencies.

State law establishes procedures for establishing and enacting a State budget. State law also provides that in the event a budget is not in effect at the start of a fiscal year, the prior year’s budget serves as the budget until such time a new budget is enacted.

The Secretary of the Department of Administration has statutory power to order reductions in the appropriations of state agencies (which represent less than one-third of the General Fund budget). See “**BUDGETING PROCESS AND FISCAL CONTROLS**” in Part II of the 1999 Annual Report for additional information on the State’s budget process.

Priority of Claims

The Master Lease includes representations that, if an emergency arises that requires the Department of Administration to draw vouchers for payment which will be in excess of available moneys, the Secretary of the Department of Administration will establish a priority schedule for payments which shall give a high priority to Lease Payments due under the Master Lease, but not higher than the priority given to payments on outstanding general obligation bonds. See “**GENERAL FUND INFORMATION; General Fund Cash Flow**” in Part II of the 1999 Annual Report.

RISK FACTORS

Nonappropriation

The State’s obligation to make Lease Payments is subject to appropriation of the necessary funds by Legislature. No assurance is given that sufficient funds will be appropriated or otherwise will be available to make the Lease Payments. A failure by the State to make a Lease Payment with respect to any Leased Item would cause the Master Lease to terminate with respect to all Leased Items. The State’s obligation to make Lease Payments is not a general obligation of the State, and moreover, the obligation does not involve the State of Wisconsin Building Commission. Rather, the Master Lease is a contract entered into by the Department of Administration under separate statutory authority.

The Master Lease does not include a nonsubstitution clause. If the Legislature fails to appropriate necessary funds for the continued performance of the State’s obligations under the Master Lease (**Nonappropriation**), the State is allowed to acquire and use similar equipment or a similar service contract for the same function as the equipment or service contract for which no appropriation was made.

While it is possible that failure to make the Lease Payments would thereafter hinder the State’s access to the capital markets, it should not be assumed that the Legislature would regard that possible consequence a compelling reason to make the appropriations needed for Lease Payments.

See “SUMMARY OF THE MASTER LEASE” and “SUMMARY OF THE MASTER INDENTURE” in Part IV of the 1999 Annual Report for additional information about remedies available under the Master Lease and Master Indenture upon an event of Nonappropriation.

Essential Use of Leased Items

Although the State has made certain representations that each Leased Items serves a governmental function, some of which functions may be considered “essential” government functions, it should nevertheless be assumed that the State could function without any of the Leased Items.

Security Interest in Leased Items

Although the State has provided a security interest in the Leased Items to the Trustee (for the benefit of the owners of the master lease certificates of participation), the Certificates are not offered on the basis of the collateral value of the Leased Items or value of any other pledged asset (other than the Lease Payments). The term of the Lease Schedule is not permitted to exceed the useful life of the Leased Item; however, it should not be assumed that the value of the Leased Item at any time will exceed the portion of the remaining Lease Payments that will be applied to principal or that the existence of such an excess would motivate the State to continue making Lease Payments. Typically it is difficult to realize the full value of collateral through sale of the collateral, and some of the Leased Items, such as service contracts, intangible property, or tangible property that is incorporated into real estate, may be impossible or difficult to sell. Records that evidence the security interests are kept by the Department of Administration, separate and apart from the central record system of security interest kept by the Department of Financial Institutions under the Uniform Commercial Code.

Tax Exemption

Should the Master Lease be terminated, there is no assurance that subsequent payments made by the Trustee with respect to the Series A Certificates and designated as interest will be excluded from gross income for federal income tax purposes.

Applicability of Securities Law

Should the Master Lease be terminated, the transfer of a master lease certificate of participation may be subject to compliance with the registration provisions of applicable federal and state securities laws, which could impair the liquidity of a master lease certificate of participation.

OTHER INFORMATION

Borrowing Plans for 2000

No other master lease certificates of participation for the Program have been or are expected to be, issued this calendar year.

Underwriting

The Series A Certificates were purchased at competitive bidding on September 19, 2000 by the following syndicate (**Series A Underwriters**): PaineWebber Incorporated, book-running manager; Salomon Smith Barney, First Albany Corporation, Morgan Stanley Dean Witter, Hutchinson, Shockey, Erley & Co., A.G. Edwards & Sons, Inc., Gruntal & Co., Inc., and Pryor Counts & Co., Inc. The Series A Underwriters paid \$27,192,683.55, resulting in a true interest cost rate to the State of 4.849%.

The Series B (Taxable) Certificates were purchased at competitive bidding on September 19, 2000 by First Albany Corporation (**Series B Underwriter**). The Series B Underwriter paid \$11,223,977.15, resulting in a true interest cost rate to the State of 7.032%.

Reference Information About the Certificates

The following tables and the **tables on the inside front cover** of this Official Statement include information about the Certificates and are provided for reference. The CUSIP number for each maturity has been obtained from sources believed to be reliable, but the State is not responsible for the correctness of the CUSIP numbers. The reoffering yields and prices have been provided by the successful bidders, which for the Series A Certificates are required to allow the computation of yield for federal tax law compliance. The reoffering prices have been calculated to the lower of maturity or call.

\$27,255,000

Master Lease Certificates of Participation of 2000, Series A

Dated and Delivery Date: September 27, 2000
First Interest Date: March 1, 2001

CUSIP	Date	Principal Amount	Interest Rate	Yield at Issuance	Price at Issuance	First Optional Redemption Date
977087 BU8	March 1, 2001	\$4,190,000	5.00%	4.40%	100.245%	Not Callable
977087 BV6	September 1, 2001	3,620,000	5.00	4.40	100.536	Not Callable
977087 BW4	March 1, 2002	3,595,000	5.00	4.50	100.680	Not Callable
977087 BX2	September 1, 2002	3,035,000	5.00	4.50	100.910	Not Callable
977087 BY0	March 1, 2003	2,495,000	5.00	4.57	100.974	Not Callable
977087 BZ7	September 1, 2003	1,565,000	4.50	4.57	99.807	Not Callable
977087 CA1	March 1, 2004	1,390,000	4.50	4.62	99.620	Not Callable
977087 CB9	September 1, 2004	1,290,000	4.50	4.62	99.570	Not Callable
977087 CC7	March 1, 2005	940,000	4.60	4.67	99.719	Not Callable
977087 CD5	September 1, 2005	635,000	4.60	4.67	99.691	Not Callable
977087 CE3	March 1, 2006	470,000	4.60	4.72	99.427	Not Callable
977087 CF0	September 1, 2006	320,000	4.60	4.72	99.382	Not Callable
977087 CG8	March 1, 2007	285,000	4.60	4.78	99.010	Not Callable
977087 CH6	September 1, 2007	3,425,000	4.75	4.78	99.821	Not Callable

\$11,265,000

Master Lease Certificates of Participation of 2000, Series B (Taxable)

Dated and Delivery Date: September 27, 2000
First Interest Date: March 1, 2001

CUSIP	Date	Principal Amount	Interest Rate	Yield at Issuance	Price at Issuance	First Optional Redemption Date
977087 CJ2	March 1, 2001	\$ 965,000	6.70%	6.75%	99.965%	Not Callable
977087 CK9	September 1, 2001	1,000,000	6.70	6.75	99.948	Not Callable
977087 CL7	March 1, 2002	1,035,000	6.70	6.75	99.926	Not Callable
977087 CM5	September 1, 2002	1,065,000	6.70	6.80	99.815	Not Callable
977087 CN3	March 1, 2003	1,105,000	6.80	6.83	99.926	Not Callable
977087 CP8	September 1, 2003	1,140,000	6.85	6.85	100.000	Not Callable
977087 CQ6	March 1, 2004	1,180,000	6.90	6.90	100.000	Not Callable
977087 CR4	September 1, 2004	1,220,000	6.90	6.90	100.000	Not Callable
977087 CS2	March 1, 2005	1,260,000	6.95	6.95	100.000	Not Callable
977087 CT0	September 1, 2005	1,295,000	7.00	7.00	100.000	Not Callable

Financial Advisor

Public Financial Management, Inc., Boston, Massachusetts, has served as a financial advisor to the State with respect to the issuance and sale of the Certificates. The financial advisor assisted the State in the preparation of this Official Statement and provided other advice on the

structuring of the Certificates and the Program. Public Financial Management, Inc. is an independent financial advisory and consulting organization and is not engaged in the underwriting, marketing, or trading of municipal securities or other negotiable instruments.

Legal Opinion

Legal matters incident to the authorization, issuance and sale of the Certificates are subject to the approval of Foley & Lardner, Bond Counsel, whose approving opinion, substantially in the form shown in **APPENDIX C**, will be delivered on the date of issue of the Certificates. In the event certificated Certificates are issued, the opinion will be printed on the reverse side of each Certificate.

Tax Exemption

Series A Certificates

In the opinion of Bond Counsel, under existing law the interest on the Series A Certificates is excluded from gross income for federal income tax purposes and the interest on the Series A Certificates is not an item of tax preference for purposes of the federal alternative minimum tax imposed on all taxpayers; it should be noted, however, that with respect to certain corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on such corporations. Bond Counsel expresses no opinion regarding the federal income tax consequences resulting from ownership of the Series A Certificates or the receipts by the owners thereof of payments on the Series A Certificates following the termination of the Master Lease resulting from Nonappropriation or an Event of Default thereunder.

The opinions set forth in the preceding paragraph are subject to the condition that the State comply with all requirements of the Internal Revenue Code of 1986, as amended (**Code**), and other federal tax legislation that must be satisfied subsequent to the issuance of the Series A Certificates in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The State has covenanted to comply with each such requirement to the extent it may lawfully do so. Failure to comply with certain of such requirements may cause interest on the Series A Certificates to be includable in gross income for federal income tax purposes retroactively to the date of issuance of the Series A Certificates. Bond Counsel expresses no opinion regarding other federal tax consequences arising with respect to the Series A Certificates.

In the opinion of Bond Counsel, under existing law, the original issue discount in the selling price of the Series A Certificates maturing September 1, 2003 through September 1, 2007 (**Discount Series A Certificates**), to the extent properly allocable to each owner of a Discount Series A Certificate, is excluded from gross income for federal income tax purposes to the same extent that any interest payable on such Discount Series A Certificates is or would be excluded from gross income for federal income tax purposes. The original issue discount is the excess of the stated redemption price at maturity of a Discount Series A Certificate over the initial offering price to the public, excluding underwriters or other intermediaries, at which price a substantial amount of such Discount Series A Certificates were sold (**Issue Price**).

Under Section 1288 of the Code, original issue discount on Discount Series A Certificates accrues on a compound interest basis. The amount of original issue discount that accrues to an owner of a Discount Series A Certificate during any accrual period generally equals:

- (1) the Issue Price of such Discount Series A Certificate plus the amount of original issue discount accrued in all prior accrual periods, multiplied by

- (2) the yield to maturity of such Discount Series A Certificate (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of each accrual period), less
- (3) any interest payable on such Discount Series A Certificate during such accrual period.

The amount of original issue discount so accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period and will increase the owner's tax basis in such Discount Series A Certificate. The adjusted basis in a Discount Series A Certificate will be used to determine taxable gain or loss upon a disposition (for example, upon a sale, exchange, redemption, or payment at maturity) of such Discount Series A Certificate.

Owners of Discount Series A Certificates who did not purchase such Discount Series A Certificates in the initial offering at the Issue Price should consult their own tax advisors with respect to the tax consequences of owning such Discount Series A Certificate.

Owners of Discount Series A Certificates should consult their own tax advisors with respect to the state and local tax consequences of holding such Discount Series A Certificates. It is possible that under the applicable provisions governing the determination of state and local taxes, accrued original issue discount on the Discount Series A Certificates 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.

The Series A Certificates maturing March 1, 2001 through March 1, 2003 (**Premium Series A Certificates**) have an issue price that is greater than the amount payable at maturity of such Series A Certificates. Any Premium Series A Certificate purchased in the initial offering at the issue price will have "amortizable bond premium" within the meaning of Section 171 of the Code. An owner of a Premium Series A Certificate that has amortizable bond premium is not allowed any deduction for the amortizable certificate premium. During each taxable year, such an owner must reduce his or her tax basis in such Premium Series A Certificate by the amount of the amortizable bond premium that is allocable to the portion of such taxable year during which the holder held such Premium Series A Certificate. The adjusted tax basis in a Premium Series A Certificate will be used to determine taxable gain or loss upon a disposition (for example, upon a sale, exchange, redemption, or repayment and maturity) of such Premium Series A Certificate.

Owners of Premium Series A Certificates who did not purchase such Premium Series A Certificates in the initial offering at the issue price should consult their own tax advisors with respect to the tax consequences of owning such Premium Series A Certificates.

Owners of Premium Series A Certificates should consult their own tax advisors with respect to the state and local tax consequences of the Premium Series A Certificates.

The Code contains numerous provisions which could affect the economic value of the Series A Certificates to particular owners of Series A Certificates. The following are some examples:

- Section 265 of the Code denies a deduction for interest on any indebtedness incurred or continued to purchase or carry the Series A Certificates or, in the case of financial institutions, that portion of an owner's interest expense allocable to interest on the Series A Certificates.
- Property and casualty insurance companies will be required in each taxable year to reduce the amount of their deductible losses by 15% of the amount of tax-exempt interest received or accrued during such taxable year, including interest on the Series A Certificates, and life insurance companies are subject to similar provisions under which taxable income is increased by reason of receipt or accrual of tax-exempt interest.

- Interest on the Series A Certificates earned by certain foreign corporations doing business in the United States could be subject to a branch profits tax imposed by Section 884 of the Code.
- Passive investment income, including interest on the Series A Certificates, may be subject to federal income taxation under Section 1375 of the Code for S corporations that have Subchapter C earnings and profits at the close of the taxable year if greater than 25% of the gross receipts of the S corporation is passive investment income.
- Section 86 of the Code requires certain recipients of social security and railroad retirement benefits to include a portion of such benefits in gross income by reason of receipt or accrual of interest on the Series A Certificates.

This section does not present an exhaustive discussion of collateral tax consequences arising from ownership of the Series A Certificates. There may be other provisions of the Code which could adversely affect the value of an investment in the Series A Certificates for owners of Series A Certificates. Investors should consult their own tax advisors with respect to the tax consequences of owning a Series A Certificate.

Interest of the Series A Certificates is subject to State of Wisconsin income and franchise taxes. Investors should consult their own tax advisors with respect to the state and local tax consequences of owning a Series A Certificate.

Series B (Taxable) Certificates

The following discussion is a summary of certain United States federal income tax considerations relevant to the purchase, ownership and disposition of the Series B (Taxable) Certificates by owners thereof, based upon current provisions of the Code, judicial decisions, and administrative interpretations. This summary does not purport to be a complete analysis of all the potential federal income tax effects relating to the purchase, ownership and disposition of the Series B (Taxable) Certificates, and without limiting the generality of the foregoing, it does not address the effect of any foreign, state or local tax laws, or the special rules applicable to certain types of purchasers (including dealers in securities, insurance companies, financial institutions, and tax-exempt entities and persons who hold Series B (Taxable) Certificates as part of a straddle, hedge or conversion transaction). In addition, this discussion is limited to owners who hold Series B (Taxable) Certificates as capital assets within the meaning of Section 1221 of the Code. Each prospective purchaser of the Series B (Taxable) Certificates is strongly urged to consult its own tax advisor with respect to its particular tax situation and possible changes in the tax laws.

Except in the case of an owner who is a foreign person and who is not subject to federal income tax on income derived from a Series B (Taxable) Certificate (see discussion below regarding foreign persons), the interest paid on a Series B (Taxable) Certificate will be included in the owner's gross income for federal income tax purposes at the time that the interest is paid or accrued, in accordance with the owner's method of accounting for federal income tax purposes.

Although the Series B (Taxable) Certificates maturing March 1, 2001 through March 1, 2003 are being issued at prices that are less than their respective principal amounts, these Series B (Taxable) Certificates are not being treated as having original issue discount for federal income tax purposes, because the amount of the discount is less than the applicable *de minimis* amount.

If an owner purchases a Series B (Taxable) Certificate at a cost that is greater than the stated redemption price at maturity of the Series B (Taxable) Certificate, the excess will be treated as "bond premium" under Section 171 of the Code, and the owner may elect to treat the portion of

the excess that is allocable to each taxable year as being an offset to the interest income derived from the Series B (Taxable) Certificate in that taxable year. If such an election is made, the amount of each such offset to interest income will result in a corresponding reduction in the owner's adjusted tax basis of the Series B (Taxable) Certificate.

A Series B (Taxable) Certificate will be deemed to have "market discount" in the hand of an owner if:

- (1) the owner's tax basis in such Series B (Taxable) Certificate immediately after acquisition is less than the Series B (Taxable) Certificate's adjusted issue price, and
- (2) the amount of this difference (**market discount**) exceeds a specified *de minimis* amount.

If a Series B (Taxable) Certificate has market discount in the hand of an owner, then unless an election is made to include such discount in gross income for federal income tax purposes on an accrual basis over the remaining life of the Series B (Taxable) Certificate, any gain recognized by an owner upon the sale or other disposition (including payment at maturity) of this Series B (Taxable) Certificate will be treated as ordinary income to the extent that this gain does not exceed the amount of "market discount" that has accrued on the Series B (Taxable) Certificate while held by the owner. If interest is paid or accrued by the owner on indebtedness incurred or maintained to purchase or carry a Series B (Taxable) Certificate with market discount, the deduction for the portion of the owner's interest expense that is allocable to the accrued market discount may be deferred.

In the case of a sale or exchange (including a redemption) of a Series B (Taxable) Certificate, the owner will recognize gain or loss equal to the difference, if any, between the amount received and the owner's adjusted tax basis in the Series B (Taxable) Certificate. Any such gain or loss will be treated as a capital gain or loss, except to the extent that any gain is treated as ordinary income under the "market discount" rules as described above.

The following is a general discussion of certain United States federal income and estate tax consequences of the ownership of Series B (Taxable) Certificates by a nonresident alien (other than a former United States citizen described in Section 877(a) of the Code or a former resident of the United States described in Section 877(e) or 7701(b)(10) of the Code), a foreign corporation, a foreign partnership, a foreign trust, or a foreign estate (**foreign person**). Owners of Series B (Taxable) Certificates who are foreign persons are urged to consult their own tax advisers regarding the specific tax consequences to them of owning Series B (Taxable) Certificates.

Interest and any original issue discount earned on a Series B (Taxable) Certificate by an owner who is a foreign person will be considered "portfolio interest" and will not be subject to United States federal income tax or withholding if:

- (1) such foreign person is neither (a) a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code, nor (b) a bank that is purchasing Series B (Taxable) Certificates pursuant to an extension of credit made in the ordinary course of its trade or business;
- (2) such foreign person provides the person who would otherwise be required to withhold tax from payments of such interest (**withholding agent**) with an appropriate statement, signed under the penalties of perjury, identifying the beneficial owner and stating, among other things, that the beneficial owner of the Series B (Taxable) Certificate is a foreign person; and

- (3) the interest is not effectively connected with the conduct of a trade or business within the United States by the foreign person.

Any interest or original issue discount (other than “portfolio interest”) earned on a Series B (Taxable) Certificate by a foreign person will be subject to United States federal income tax and withholding at a rate of 30% (or at a lower rate under an applicable tax treaty) if this interest or original issue discount is not effectively connected with the conduct of a trade or business within the United States by this foreign person.

All interest and original issue discount earned on a Series B (Taxable) Certificate, and any gain realized on a sale or exchange (including redemption) of a Series B (Taxable) Certificate, that is effectively connected with the conduct of a trade or business with the United States by a foreign person will be subject to United States federal income tax at regular graduated rates (and if the foreign person is a corporation, may also be subject to a United States branch profits tax). Such income will not be subject to United States income tax withholding, however, if the foreign person furnishes the proper certificate to the withholding agent.

Any gain realized by a foreign person on a sale or exchange (including a redemption) of a Series B (Taxable) Certificate will not be subject to United States federal income tax or withholding if (1) the gain is not effectively connected with the conduct of a trade or business within the United States, and (2) in the case of a foreign individual, such individual is not present in the United States for 183 days or more in the taxable year of the sale or exchange.

For United States estate tax purposes, the gross estate of a nonresident alien individual who holds a debt obligation of a United States person is not deemed to include such debt obligation if all of the interest on the obligation constitutes “portfolio interest”.

A 31% backup withholding tax applies to certain payments of interest and principal on, and any proceeds of a sale or exchange (including a redemption) of the Series B (Taxable) Certificates. In the case of an owner that is not a foreign person, backup withholding generally will apply only if such owner fails to furnish its correct taxpayer identification number, is notified by the Internal Revenue Service that such owner has failed to report properly payments of interest or dividends, or fails to provide a required certification under penalties of perjury.

In the case of an owner that is a foreign person, backup withholding generally will not apply to payments made on the Series B (Taxable) Certificates if such owner has provided the required certification under penalties of perjury that it is a foreign person, as defined above, or has otherwise established an exemption, provided in each case that the State does not have actual knowledge that the payee is not a foreign person.

Any amounts withheld from payment under the backup withholding rules will be allowed as a credit against an owner’s United States federal income tax liability and may entitle such owner to a refund, provided that the required information is furnished to the Internal Revenue Service.

Interest on the Series B (Taxable) Certificates is subject to State of Wisconsin income and franchise taxes. Investors should consult their own tax advisors with respect to the state and local tax consequences of owning a Series B (Taxable) Certificate.

CONTINUING DISCLOSURE

The State has made an undertaking, for the benefit of the beneficial owners of the Certificates, to provide an annual report, providing certain financial information and operating data relating to the State (**Annual Reports**), not later than 180 days following the close of the State’s fiscal year, to each nationally recognized municipal securities information repository (**NRMSIR**) and to the state information depository (**SID**), if any, and to provide notices of occurrence of certain events

specified in the Rule to each NRMSIR or the Municipal Securities Rulemaking Board (**MSRB**) and the SID, if any. As of the date of this Official Statement, no SID has been established. Part I of the 1999 Annual Report, which contains information on the undertaking, is included by reference as part of this Official Statement.

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

State of Wisconsin Capital Finance Office
Department of Administration
101 East Wilson Street
P.O. Box 7864
Madison, WI 53707-7864
(608) 266-2305
capfin@doa.state.wi.us

The undertaking also describes the consequences of any failure to provide the required information. The undertaking requires that a failure to provide the required information must be reported to the NRMSIRs or the MSRB, and to any SID. In the last five years, there has been no failure to comply in any material respect with a similar undertaking by the State.

Certain statements in this Official Statement involve matters of opinion or estimates and are not intended as representations of fact. The quotations, summaries, and explanations of laws, resolutions, judicial decisions, and administrative regulations in this Official Statement do not purport to be complete and are qualified by reference to the complete text of such documents. Material referred to in this Official Statement is not part of this Official Statement unless expressly included. This Official Statement is not a contract or agreement between the State and the purchasers or owners of any of the Certificates.

This Official Statement is submitted only in connection with the sale of the Certificates by the State and may not be reproduced or used in whole or in part for any other purpose, except with express permission.

Dated: September 19, 2000

**STATE OF WISCONSIN,
Acting by and Through the
DEPARTMENT OF ADMINISTRATION**

/s/ George Lightbourn

George Lightbourn, Secretary
State of Wisconsin Department of Administration

APPENDIX A

INFORMATION ABOUT THE STATE

This appendix includes information concerning the State of Wisconsin (**State**). Part II of the State of Wisconsin Continuing Disclosure Annual Report, dated December 23, 1999 (**1999 Annual Report**) is included by reference as part of this APPENDIX A.

Part II to the 1999 Annual Report contains general information about the State. More specifically, that part presents information on the following matters:

- State's operations and financial procedures
- State's accounting and financial reporting
- Organization and description of services provided by the State
- Results of fiscal year 1998-99
- State budget
- Obligations of the State
- State Investment Board
- Statistical information about the State's population, income and employment

Included as APPENDIX A to Part II are the audited general purpose financial statements for the fiscal year ending June 30, 1999, prepared in conformity with generally accepted accounting principles (**GAAP**) for governments as prescribed by the Government Accounting Standards Board, and the State Auditor's report.

The 1999 Annual Report has been filed with each nationally recognized municipal securities information repository (**NRMSIR**). Copies of the 1999 Annual Report may also be obtained from:

State of Wisconsin Capital Finance Office
Department of Administration
101 East Wilson Street
P.O. Box 7864
Madison, WI 53707-7864
(608) 266-2305
capfin@doa.state.wi.us

After publication and filing of the 1999 Annual Report, certain changes or events have occurred that affect items discussed in the 1999 Annual Report. Listed below, by reference to particular sections of the 1999 Annual Report, are changes or additions to the discussion contained in those particular sections. Many of the following changes have not been filed with the NRMSIRs. However, the State has filed, and expects to continue to file, certain informational notices with the NRMSIRs. These informational notices do not constitute listed material events under the State's Master Agreement on Continuing Disclosure.

State Budget; Budget for 1999-2001 (pages 34-36).

The following are updates to Tables II-4 (page 34), II-5 (page 35), and II-6 (page 36) from the 1999 Annual Report. These tables have been updated to reflect all acts passed by the Legislature through May 30, 2000 and signed into law. The Legislature is not currently in session and the next scheduled session is January 3, 2001. The following updated tables reflect the revised

general-fund estimates provided on January 24, 2000 by the Legislative Fiscal Bureau. The Joint Committee on Finance approved schedules relating the following updates on July 12, 2000.

The 1999-2000 fiscal year ended June 30, 2000. The Annual Fiscal Report (Budgetary Basis) is required to be published no later than October 15. The State's centralized accounting records remain open until July 31 (August 15 for income, sales, and use tax receipts) to permit the State departments to record revenues and expenditures applicable to the 1999-2000 fiscal year ended June 30, 2000. The following updates to Tables II-4, II-5, and II-6 of the 1999 Annual Report are not intended to be a general-fund condition statement or an estimate of the June 30, 2000 general-fund balance.

Table II-4; Summary of 1999-2001 Budget (Page 34):

Summary of 1999-2001 Budget		
All-Funds Basis		
(Amounts in Millions)		
	<u>1999-2000</u>	<u>2000-2001</u>
Beginning Balance	\$ 701	\$ 659
Tax Revenues	10,793	10,281
Nontax Revenues	<u>17,582</u>	<u>17,498</u>
Total Amount Available	\$ 29,077	\$ 28,438
Total Disbursements/Reserves	\$ 28,532	\$ 28,389
Estimated Balance	\$ 545	\$ 49
Statutory Required Balance	<u>114</u>	<u>134</u>
Undesignated Balance	\$ 659	\$ 184
General-Funds Basis		
(Amounts in Millions)		
	<u>1999-2000</u>	<u>2000-2001</u>
Beginning Balance	\$ 701	\$ 659
Tax Revenues	10,793	10,281
Nontax Revenues	<u>7,604</u>	<u>7,172</u>
Total Amount Available	\$ 19,098	\$ 18,112
Total Disbursements/Reserves	\$ 18,553	\$ 18,063
Estimated Balance	\$ 545	\$ 49
Statutory Required Balance	<u>114</u>	<u>134</u>
Undesignated Balance	\$ 659	\$ 184

Table II-5; State Budget–All Funds (Page 35):

State Budget–All Funds^(a)

	Actual ^(b) 1998-99	Budget 1998-99	Budget 1999-2000	Budget 2000-2001
RECEIPTS				
Fund Balance from Prior Year.....	\$ 552,311,000	\$ 352,243,400	\$ 701,293,000	\$ 658,784,800
Tax Revenue				
Individual Income.....	5,162,239,000	5,052,400,000	5,825,000,000	5,158,800,000 ^(c)
General Sales and Use.....	3,284,695,000	3,134,030,000	3,500,000,000	3,710,000,000
Corporate Franchise and Income.....	635,203,000	654,700,000	660,000,000	658,300,000 ^(d)
Public Utility.....	287,085,000	272,600,000	250,000,000	220,000,000 ^(e)
Excise				
Cigarette/Tobacco Products.....	266,817,000	268,900,000	258,000,000	255,200,000 ^(f)
Liquor and Wine.....	32,941,000	32,300,000	33,000,000	33,500,000
Malt Beverage.....	9,163,000	9,500,000	9,300,000	9,300,000
Inheritance, Estate & Gift.....	116,898,000	55,000,000	95,000,000	75,000,000 ^(g)
Insurance Company.....	97,045,000	95,000,000	105,000,000	100,000,000
Other.....	1,089,833,000 ^(h)	88,237,500 ^(h)	58,000,000 ^(h)	61,000,000 ^(h)
Subtotal.....	<u>10,981,919,000</u>	<u>9,662,667,500</u>	<u>10,793,300,000</u>	<u>10,281,100,000</u>
Nontax Revenue				
Departmental Revenue.....	\$ 158,390,000	\$ 151,226,600	\$ 260,087,900	\$ 190,946,100
Tobacco Settlement.....	NA	NA	167,886,100	124,763,700
Total Federal Aids.....	3,774,415,000	4,339,196,600	5,085,572,200	4,703,374,700
Total Program Revenue.....	2,358,405,000	2,353,325,400	2,658,535,300	2,734,917,200
Total Segregated Funds.....	3,542,902,000	2,229,010,500	2,275,967,300	2,292,791,500
Fund Transfers In.....	NA	NA	64,000,000	NA
Bond Authority.....	490,003,000	430,000,000	458,000,000	400,000,000
Employee Benefit Contributions ⁽ⁱ⁾	6,794,183,000	4,840,878,164	6,612,282,700	7,051,394,300
Subtotal.....	<u>17,118,298,000</u>	<u>14,343,637,264</u>	<u>17,582,331,500</u>	<u>17,498,187,500</u>
Total Available.....	<u>\$ 28,652,528,000</u>	<u>\$ 24,358,548,164</u>	<u>\$ 29,076,924,500</u>	<u>\$ 28,438,072,300</u>
DISBURSEMENTS AND RESERVES				
Commerce.....	\$ 367,656,000	\$ 390,029,300	\$ 418,915,100	\$ 415,866,300
Education.....	7,537,266,000	7,332,883,400	7,860,268,900	8,223,303,400
Environmental Resources.....	2,494,198,000	2,183,076,800	2,493,567,700	2,437,927,900
Human Relations and Resources.....	6,579,235,000	6,120,171,500	6,850,265,900	6,733,347,000
General Executive.....	3,283,685,000	613,160,900	673,415,700	669,656,800
Judicial.....	95,431,000	90,209,800	104,156,900	104,709,200
Legislative.....	58,081,000	55,994,700	60,511,900	59,086,500
General Appropriations.....	2,547,602,000	2,012,329,700	2,891,183,500	2,163,488,700
General Obligation Bond Program.....	401,345,000	430,000,000	458,000,000	400,000,000
Employee Benefit Payments ⁽ⁱ⁾	1,934,678,000	2,019,386,350	2,504,993,800	2,695,311,400
Reserve for Employee Benefit Payments ⁽ⁱ⁾	4,859,505,000	2,821,491,814	4,107,288,900	4,356,082,900
Subtotal.....	<u>30,158,682,000</u>	<u>24,068,734,264</u>	<u>28,422,568,300</u>	<u>28,258,780,100</u>
Less: (Lapses).....	NA	(60,255,000)	(84,028,600)	(122,124,800)
Compensation Reserves.....	NA	66,338,400	56,100,000	117,750,000
Required Statutory Balance.....	NA	99,426,600	113,883,100	134,328,600
Fund Transfers Out.....	NA	166,108,600	23,500,000	NA
Other.....	NA	NA	NA	NA
Change in Continuing Balance.....	(2,218,980,000)	NA	NA	NA
Total Disbursements & Reserves.....	<u>\$ 27,939,702,000</u>	<u>\$ 24,340,352,864</u>	<u>\$ 28,532,022,800</u>	<u>\$ 28,388,733,900</u>
Fund Balance.....	\$ 712,826,000	\$ 18,195,300	\$ 544,901,700	\$ 49,338,400
Undesignated Balance.....	\$ 701,293,000	\$ 117,621,900	\$ 658,784,800	\$ 183,667,000

(a) The amounts shown are based on statutorily required accounting and not on GAAP.

(b) The amounts shown are unaudited and rounded to the nearest thousand.

(c) The decrease results from budgeted tax reductions becoming effective.

(d) The decrease results from budgeted tax changes that produce one-time effects in the first fiscal year.

(e) The decrease results from the continued effect of prior years' tax changes.

(f) The decrease results from an anticipated decline in consumption.

(g) The decrease results from an expected one-time collection in the 1999-2000 fiscal year.

(h) The budgets do not include taxes collected for segregated funds. The largest such tax is the motor fuel tax. The State collected \$797 million of motor fuel taxes in the 1998-99 fiscal year. The 1998-99 fiscal year includes revenues collected from a tax amnesty program.

(i) State law separates the accounting of employee benefits from the budget. They are included for purposes of comparability to the figures presented in this table and Tables II-1 and II-2 in the 1999 Annual Report.

Source: Wisconsin Department of Administration.

Table II-6; State Budget–General Fund (Page 36):

State Budget–General Fund^(a)

	Actual ^(b) 1998-99	Budget 1998-99	Budget 1999-2000	Budget 2000-2001
RECEIPTS				
Fund Balance from Prior Year.....	\$ 552,311,000	\$ 352,243,400	\$ 701,293,000	\$ 658,784,800
Tax Revenue				
State Taxes Deposited to General Fund				
Individual Income.....	5,162,239,000	5,052,400,000	5,825,000,000	5,158,800,000 ^(c)
General Sales and Use.....	3,284,695,000	3,134,030,000	3,500,000,000	3,710,000,000
Corporate Franchise and Income.....	635,203,000	654,700,000	660,000,000	658,300,000 ^(d)
Public Utility.....	287,085,000	272,600,000	250,000,000	220,000,000 ^(e)
Excise				
Cigarette/Tobacco Products.....	266,817,000	268,900,000	258,000,000	255,200,000 ^(f)
Liquor and Wine.....	32,941,000	32,300,000	33,000,000	33,500,000
Malt Beverage.....	9,163,000	9,500,000	9,300,000	9,300,000
Inheritance, Estate & Gift.....	116,898,000	55,000,000	95,000,000	75,000,000 ^(g)
Insurance Company.....	97,045,000	95,000,000	105,000,000	100,000,000
Other.....	69,243,000 ^(h)	88,237,500 ^(h)	58,000,000	61,000,000
Subtotal.....	9,961,329,000	9,662,667,500	10,793,300,000	10,281,100,000
Nontax Revenue				
Departmental Revenue.....	158,390,000	151,226,600	\$ 260,087,900	\$ 190,946,100
Tobacco Settlement.....	NA	NA	167,886,100	124,763,700
Program Revenue-Federal.....	3,774,415,000	3,929,984,000	4,453,148,300	4,121,351,700
Program Revenue-Other.....	2,358,405,000	2,353,325,400	2,658,535,300	2,734,917,200
Fund Transfers In.....	NA	NA	64,000,000	NA
Subtotal.....	6,291,210,000	6,434,536,000	7,603,657,600	7,171,978,700
Total Available.....	\$ 16,804,850,000	\$ 16,449,446,900	\$ 19,098,250,600	\$ 18,111,863,500
DISBURSEMENTS AND RESERVES				
Commerce.....	\$ 199,054,000	\$ 195,817,600	218,959,300	220,214,600
Education.....	7,228,129,000	7,185,455,400	7,798,220,600	8,163,838,300
Environmental Resources.....	244,061,000	239,024,700	261,344,100	259,939,200
Human Relations and Resources.....	5,829,545,000	6,013,539,700	6,684,959,800	6,541,581,500
General Executive.....	523,088,000	533,306,400	634,410,900	569,934,100
Judicial.....	95,074,000	89,565,900	103,499,100	104,051,400
Legislative.....	58,081,000	55,994,700	60,511,900	59,086,500
General Appropriations.....	1,921,555,000	1,846,928,600	2,681,988,700	2,013,925,700
Subtotal.....	16,098,587,000	16,159,633,000	18,443,894,400	17,932,571,300
Less: (Lapses).....	NA	(60,255,000)	(84,028,600)	(122,124,800)
Compensation Reserves.....	NA	66,338,400	56,100,000	117,750,000
Required Statutory Balance.....	NA	99,426,600	113,883,100	134,328,600
Fund Transfers Out.....	NA	166,108,600	23,500,000	NA
Other.....	NA	NA	0	NA
Changes in Continuing Balance.....	(6,563,000)	NA	NA	NA
Total Disbursements & Reserves.....	\$ 16,092,024,000	\$ 16,431,251,600	\$ 18,553,348,900	\$ 18,062,525,100
Fund Balance.....	\$ 712,826,000	\$ 18,195,300	\$ 544,901,700	\$ 49,338,400
Undesignated Balance.....	\$ 701,293,000	\$ 117,621,900	\$ 658,784,800	\$ 183,667,000

- (a) The amounts shown are based on statutorily required accounting and not on GAAP.
- (b) The amounts shown are unaudited and rounded to the nearest thousand.
- (c) The decrease results from budgeted tax reductions becoming effective.
- (d) The decrease results from budgeted tax changes that produce one-time effects in the first fiscal year.
- (e) The decrease results from the continued effect of prior years' tax changes.
- (f) The decrease results from an anticipated decline in consumption.
- (g) The decrease results from an expected one-time collection in the 1999-2000 fiscal year.
- (h) The 1998-99 fiscal year information include revenues collected from a tax amnesty program.

Source: Wisconsin Department of Administration.

Potential Effect of Litigation; Assessment of Taxes for Railroads (page 37). Amend with the following:

The Wisconsin Court of Appeals has decided against the State in this case. The State currently expects that it will incur a liability of approximately \$22 million. This liability will be payable from the Transportation Fund, with interest calculated from November 1995, unless this case is reversed. The State has appealed the case to the Wisconsin Supreme Court, and the case has been accepted for review.

Table II-9; General Fund Monthly Position (Page 45). Replace the table with the following:

GENERAL FUND MONTHLY CASH POSITION
July 1, 1998 through May 31, 2000 — Actual
June 1, 2000 through June 30, 2001 — Estimated^(a)
(Amounts in Thousands)

	<u>Starting Date</u>	<u>Starting Balance</u>	<u>Receipts^(b)</u>	<u>Disbursements^(b)</u>
1998	July.....	442,704	1,641,655	1,750,960
	August.....	333,399	1,200,704	803,188
	September.....	730,915	1,607,957	1,283,254
	October.....	1,055,618	1,267,513	1,035,960
	November.....	1,287,171	1,408,782	1,619,285
	December.....	1,076,668	1,333,433	1,878,358
1999	January.....	531,743	1,745,237	953,828
	February.....	1,323,152	1,267,106	1,107,154
	March.....	1,483,104	1,491,320	2,232,696
	April.....	741,728	1,648,520	1,185,032
	May.....	1,205,216	1,488,763	1,027,762
	June.....	1,666,217	1,541,035	2,470,983
	July.....	736,269	1,441,009	1,836,987
	August.....	340,291	1,308,849	868,154
	September.....	780,986	1,547,229	1,292,942
	October.....	1,035,273	1,331,192	1,031,907
	November.....	1,334,558	1,433,801	1,794,197
	December.....	974,162	1,449,618	1,987,753
2000	January.....	436,027	2,095,798	1,693,313
	February.....	838,512	1,544,207	1,240,280
	March.....	1,142,439	1,526,625	2,143,437
	April.....	525,627	1,812,812	1,174,173
	May.....	1,164,266	1,580,865	1,172,474
	June.....	1,572,657	1,910,223	2,811,272
2001	July.....	671,608	1,403,915	1,674,821
	August.....	400,702	1,260,694	972,599
	September.....	688,797	1,732,407	1,493,145
	October.....	928,059	1,442,746	1,004,832
	November.....	1,365,973	1,405,528	1,961,006
	December.....	810,495	1,429,600	2,001,249
	January.....	238,846	1,938,983	1,196,484
	February.....	981,345	1,387,251	1,231,144
	March.....	1,137,452	1,550,026	2,431,709
	April.....	255,769	1,766,265	1,062,602
	May.....	959,432	1,480,357	1,291,507
	June.....	1,148,282	1,738,399	2,669,628

^(a) The monthly receipt and disbursement projections for June 1, 2000 through June 30, 2001 are based on estimates provided by the Division of Executive Budget and Finance.

^(b) The receipt amounts shown in July 1998 include the proceeds received at closing for operating notes. See "OTHER OBLIGATIONS; Operating Notes" in Part II of the 1999 Annual Report. The disbursement amounts shown for February, March, April and May 1999 include impoundment payments required in connection with the operating notes. No operating notes were issued in the 1999-2000 fiscal year and, as of the date of this Official Statement, no operating notes have been issued in the 2000-2001 fiscal year.

Source: Wisconsin Department of Administration.

Table II-11; Revenues Deposited to the General Fund (Page 47). Replace the table with the following:

REVENUES DEPOSITED TO THE GENERAL FUND^(a)
July 1, 1999 to May 31, 2000 compared with previous year
(Unaudited)

	Actual Receipts	Projected	Actual Receipts	Actual Receipts
	1998-99 FY^(b)	Receipts	July 1, 1998 to	July 1, 1999 to
		1999-2000 FY	May 31, 1999	May 31, 2000
Individual Income Tax	\$ 5,162,239,000	\$ 5,795,065,000	\$ 4,444,978,990	\$ 4,963,033,926
General Sales and Use Tax	3,284,695,000	3,443,143,500	2,655,993,704	2,844,412,621
Corporate Franchise and Income Tax	635,203,000	645,703,200	502,662,412	514,152,166
Public Utility Taxes	287,085,000	244,105,000	138,613,384	258,654,955
Excise Taxes	308,921,000	289,875,000	255,079,195	248,282,088
Inheritance Taxes	116,898,000	90,000,000	112,230,607	127,789,524
Miscellaneous Taxes	166,288,000	140,113,400	145,944,944	136,280,844
SUBTOTAL.....	<u>9,961,329,000</u>	<u>10,648,005,100</u>	<u>8,255,503,236</u>	<u>9,092,606,124</u>
Federal Receipts.....	3,774,415,000	4,454,261,000	3,438,982,903	3,673,478,390
Dedicated and Other Revenues ^(c)	<u>2,516,795,000</u>	<u>3,152,112,400</u>	<u>2,487,133,951</u> ^(d)	<u>2,815,545,266</u> ^(d)
TOTAL.....	<u>\$16,252,539,000</u>	<u>\$18,254,378,500</u>	<u>\$ 14,181,620,090</u>	<u>\$ 15,581,629,780</u>

- (a) The amounts shown are based on the statutory accounting basis and not on GAAP. See "ACCOUNTING AND FINANCIAL REPORTING" in Part II of the 1999 Annual Report.
- (b) The amounts shown are the sum of all revenues for fiscal year 1998-99 based on the data used in the preparation of the Annual Fiscal Report, Budgetary Basis, for the year ending June 30, 1999.
- (c) The statutory basis of accounting requires that certain transfers between General Fund appropriations be 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.
- (d) The amounts shown do not reflect receipt of \$350 million principal amount in fiscal year 1998-99 from the sale of operating notes. No operating notes were issued in the 1999-2000 fiscal year.

Source: Wisconsin Department of Administration.

Table II-12; General Fund Expenditures by Function (Page 48). Replace the table with the following:

**GENERAL FUND EXPENDITURES BY FUNCTION^(a)
July 1, 1999 to May 31, 2000 compared with previous year
(Unaudited)**

	Actual Expenditures <u>1998-99 FY^(b)</u>	Appropriations <u>1999-2000 FY</u>	Actual Expenditures July 1, 1998 to <u>May 31, 1999</u>	Actual Expenditures July 1, 1999 to <u>May 31, 2000</u>
Commerce.....	\$ 199,054,000	\$ 216,422,000	\$ 167,958,797	\$ 175,558,933
Education.....	7,228,129,000	7,795,022,700	5,644,594,824	6,062,377,516
Environmental Resources.....	244,061,000	258,472,200	229,178,449	251,106,629
Human Relations & Resources.....	5,829,545,000	6,676,189,200	5,190,495,013	5,540,448,818
General Executive.....	523,088,000	633,904,200	466,226,121	576,695,727
Judicial.....	95,074,000	100,584,600	86,622,679	92,705,490
Legislative.....	58,081,000	60,239,300	48,939,276	51,525,414
General Appropriations.....	<u>1,921,555,000</u>	<u>2,673,104,200</u>	<u>1,724,864,974</u>	<u>2,497,615,610</u>
TOTAL.....	<u>\$ 16,098,587,000</u>	<u>\$ 18,413,938,400</u>	<u>\$ 13,558,880,133</u>	<u>\$ 15,248,034,137</u>

(a) The amounts shown are based on the statutory accounting basis and not on GAAP. See "ACCOUNTING AND FINANCIAL REPORTING" in Part II of the 1999 Annual Report.

(b) The amounts shown are the sum of all expenditures for fiscal year 1998-99 based on the data used in the preparation of the Annual Fiscal Report, Budgetary Basis, for the year ending June 30, 1999.

Source: Wisconsin Department of Administration.

APPENDIX B

INFORMATION ABOUT THE MASTER LEASE PROGRAM

This appendix includes information concerning the Master Lease Program (**Program**) and master lease certificates of participation. Part IV of the State of Wisconsin Continuing Disclosure Annual Report, dated December 23, 1999 (**1999 Annual Report**) is included by reference as part of this APPENDIX B.

Part IV to the 1999 Annual Report contains the following information:

- Program structure
- Program operations
- Security for the master lease certificates of participation
- Risk factors
- Outstanding master lease certificates of participation
- Outstanding Lease Schedules
- Summary of the Master Lease
- Summary of the Master Indenture

The 1999 Annual Report has been filed with each nationally recognized municipal securities information repository (**NRMSIR**). Copies of the 1999 Annual Report may also be obtained from:

State of Wisconsin Capital Finance Office
Department of Administration
101 East Wilson Street
P.O. Box 7864
Madison, WI 53707-7864
(608) 266-2305
capfin@doa.state.wi.us

After publication and filing of the 1999 Annual Report, certain changes or events have occurred that affect items discussed in the 1999 Annual Report. Listed below, by reference to particular sections of the 1999 Annual Report, are changes or additions to the discussion contained in those particular sections. Many of the following changes have not been filed with the NRMSIRs. However, the State has filed, and expects to continue to file, certain informational notices with the NRMSIRs. These informational notices do not constitute listed material events under the State's Master Agreement on Continuing Disclosure.

Summary of Master Lease; Page 121. Update with the following:

Effective April 28, 2000, the Master Lease was amended in certain respects. The amendment expanded the scope of Leased Items. Previously, Leased Items could include equipment, intangible property, and prepaid service contracts. After the amendment, Leased Items can also include tangible property, essentially allowing Leased Items to be incorporated into real estate. The amendment to the Master Lease also permits a Lease Schedule to cover progress payments as they are made. Lease Schedules made prior to the effective date will be enforced without regard to the amendments made to the Master Lease.

Outstanding Master Lease Certificates of Participation By Issue; Table IV-1, Page 115.

Update with the following:

OUTSTANDING MASTER LEASE CERTIFICATES OF PARTICIPATION BY ISSUE

(As of September 1, 2000)

<u>Financing</u>	<u>Date of Financing</u>	<u>Maturity</u>	<u>Amount of Issuance</u>	<u>Amount Outstanding</u>
1996- Master Lease COPs Series A (Revolving Credit Agreement)	7/1/96	2009	\$ 50,000,000	\$ 38,096,352 ^(a)
Master Lease COPs Series B.....	11/8/96	1997-2003	38,260,000	980,689 ^(b)
1999- Master Lease COPs Series A.....	2/18/99	1999-2005	28,855,000	13,123,929 ^(b)
Master Lease COPs Series B (Taxable)...	2/18/99	1999-2005	14,120,000	<u>11,080,000</u>
<i>Total Master Lease COPs.....</i>				<u>\$ 63,280,970</u>

(a) The Master Lease Certificate of Participation of 1996, Series A evidences the State's repayment of a revolving line of credit which the State utilizes for acquisition funding for the Program. The amount outstanding for this Certificate includes any interest that has accrued on this revolving line of credit since the last interest payment on the Certificates.

(b) The Master Lease provides that certain Lease Schedules can be terminated if the State deposits with the Trustee an amount that is equal to the outstanding amount of the Lease Schedule, or in amounts that are sufficient to purchase investments that mature on dates and in amounts to make the Lease Payments when due. The principal amount of Certificates for which payment has been provided is treated as not outstanding for purposes of this table.

Outstanding Master Lease Schedules; Table IV-2, Pages 116-120. Update with the following:

OUTSTANDING MASTER LEASE SCHEDULES

(As of September 1, 2000)

<u>Schedule</u>	<u>Origin Date</u>	<u>Maturity Date</u>	<u>Leased Item</u>	<u>Amount Financed</u>	<u>Principal Balance</u>
94-040	10/14/1994	09/01/2001	John Deere Combine	\$ 93,898.95	\$ 16,114.93
95-042	09/19/1995	03/01/2002	Distance Education Network (WONDER)	1,985,260.00	369,950.27
96-003	01/11/1996	09/01/2002	Dairy Processing Equipment	164,140.00	56,331.10
96-009	02/07/1996	03/01/2001	Duplo Booklet Making System	53,010.00	5,963.78
96-026	04/19/1996	03/01/2003	Textile Cutting Machine/CADD	49,600.00	20,339.61
96-029	04/26/1996	03/01/2001	High-Speed Tape Drives	135,000.00	15,842.35
96-030	04/26/1996	03/01/2003	DMV Database Redesign	146,821.55	34,279.66
96-035	05/20/1996	03/01/2003	DMV Database Redesign	121,662.64	43,208.19
96-040	06/04/1996	03/01/2003	Dairy Processing Equipment	74,700.00	31,248.44
96-043	06/14/1996	03/01/2003	Textile Cutting Machine/CADD	31,245.00	13,056.33
96-044	06/14/1996	03/01/2001	Semi-Tractor Truck	59,945.00	7,187.83
96-047	06/27/1996	03/01/2003	DMV Database Redesign	236,615.97	99,318.18
96-049	06/27/1996	03/01/2003	Textile Cutting Machine/CADD	97,715.00	41,015.30
96-052	07/29/1996	03/01/2003	Sewing Machines (Private Industry Initiative)	112,621.50	47,063.96
96-056	08/01/1996	03/01/2003	DMV Database Redesign	129,291.31	54,069.12
96-060	08/01/1996	09/01/2002	Distance Education Network (NEWCS)	158,391.85	58,503.69
96-061	08/15/1996	03/01/2003	Infrastructure for Mobile Data Computers (DOT)	531,916.34	226,004.61
96-064	09/03/1996	09/01/2003	DMV Database Redesign	221,176.04	103,839.40
96-065	09/03/1996	03/01/2003	Textile Cutting Machine/CADD	17,688.00	7,478.07
96-071	10/01/1996	03/01/2003	Textile Cutting Machine/CADD	5,657.00	2,391.66
96-073	10/01/1996	09/01/2003	DMV Database Redesign	168,597.60	79,154.48
96-075	10/01/1996	09/01/2003	Infrastructure for Mobile Data Computers (DOT)	163,543.44	76,781.63
96-082	11/01/1996	03/01/2003	Infrastructure for Mobile Data Computers (DOT)	499,255.33	225,510.19
96-093	12/23/1996	09/01/2003	Infrastructure for Mobile Data Computers (DOT)	20,974.47	6,540.16

OUTSTANDING MASTER LEASE SCHEDULES—Continued
(As of September 1, 2000)

<u>Schedule</u>	<u>Origin Date</u>	<u>Maturity Date</u>	<u>Leased Item</u>	<u>Amount Financed</u>	<u>Principal Balance</u>
96-094	12/23/1996	09/01/2003	1/2 Pint Milk Carton Filler/Sealer Machine	94,000.00	46,134.81
97-006	01/28/1997	03/01/2002	Automated Tape Drive System	1,065,019.00	342,863.87
97-008	01/28/1997	09/01/2003	Infrastructure for Mobile Data Computers (DOT)	442,274.97	220,039.58
97-009	01/28/1997	03/01/2001	Video Conferencing Equipment	48,038.50	6,408.53
97-016	02/19/1997	09/01/2003	Infrastructure for Mobile Data Computers (DOT)	74,258.75	37,202.25
97-023	03/13/1997	09/01/2003	Infrastructure for Mobile Data Computers (DOT)	208,874.27	105,560.45
97-029	03/27/1997	03/01/2004	Fire Engine	63,853.13	35,125.54
97-032	04/16/1997	03/01/2004	Infrastructure for Mobile Data Computers (DOT)	155,614.00	86,143.18
97-037	04/25/1997	03/01/2004	Fire Engine	85,143.87	47,259.79
97-040	04/25/1997	03/01/2004	Infrastructure for Mobile Data Computers (DOT)	274,825.00	152,543.80
97-043	05/16/1997	03/01/2004	Xylox Seating System-Kohl Center	100,000.00	55,891.33
97-046	05/14/1997	03/01/2001	Video Conferencing Equipment-LaCrosse/Waukesha	97,881.28	13,960.15
97-051	05/29/1997	03/01/2001	IT Migration Plan	128,074.45	18,455.09
97-052	05/29/1997	03/01/2001	Video Conferencing Equipment-Madison/EauClaire	45,914.90	6,616.18
97-053	06/13/1997	03/01/2002	Image Scanning System	64,765.00	13,684.37
97-055	06/13/1997	03/01/2001	IT Migration Plan	111,156.00	16,166.53
97-056	06/13/1997	03/01/2002	Tractor - Ashland Research Station	35,845.00	12,335.38
97-058	06/27/1997	03/01/2001	Tractor/Skidloader	83,611.00	11,816.87
97-062	07/10/1997	03/01/2004	Fire Engine	100,924.72	57,455.97
97-066	06/30/1997	03/01/2004	Xylox Seating System-Kohl Center	250,000.00	141,842.05
97-069	07/10/1997	03/01/2001	IT Migration Phase I and II	127,090.75	18,824.22
97-070	07/10/1997	03/01/2004	Xylox Seating System - Kohl Center	733,000.00	417,293.45
97-071	07/10/1997	03/01/2004	Infrastructure for Mobile Data Computers (DOT)	57,222.11	32,576.29
97-078	07/25/1997	03/01/2004	DMV Database Redesign	269,717.25	93,199.89
97-080	07/25/1997	03/01/2001	IT Migration Plan	96,331.46	14,421.90
97-081	07/25/1997	03/01/2001	Postscript Imagesetter	99,105.00	11,094.34
97-083	08/15/1997	09/01/2001	Tractors	96,112.00	25,611.83
97-086	08/15/1997	09/01/2001	Video Conferencing Equipment-Spooner	54,405.35	14,497.88
97-089	09/03/1997	03/01/2004	Infrastructure for Mobile Data Computers (DOT)	62,488.00	36,265.58
97-092	09/16/1997	09/01/2003	Dump Truck	67,598.00	36,613.85
97-097	09/16/1997	09/01/2001	Tractor/Agriculture Equipment	46,587.00	12,651.17
97-102	10/16/1997	09/01/2001	Tractor/Agriculture Equipment	49,318.00	13,649.08
97-107	10/31/1997	03/01/2001	IT Migration Plan (PCs, Software, Installation)	416,670.75	66,862.81
97-109	11/14/1997	09/01/2004	Portfolio Management/Operations Software	1,000,000.00	608,283.02
97-112	12/08/1997	03/01/2001	IT Migration	79,081.75	13,066.89
97-117	12/22/1997	09/01/2004	Wood Laminating System	127,251.75	81,240.11
97-118	12/22/1997	03/01/2004	Infrastructure for Mobile Data Computers (DOT)	150,478.94	90,842.93
98-002	01/09/1998	03/01/2001	Year 2000 Upgrades-Payroll/Leave Accounting Sys	31,596.40	5,358.34
98-004	01/09/1998	09/01/2004	DMV Year 2000 Updates/Redesign	234,945.25	150,830.67
98-006	01/30/1998	03/01/2001	IT Migration Plan	97,384.75	16,796.57
98-007	01/30/1998	03/01/2001	Systems Furniture/IT Equip (Training Facility)	135,394.74	22,423.04
98-008	01/30/1998	03/01/2001	Year 2000 Upgrades-Payroll/Leave Accounting Sys	30,004.80	5,175.13
98-010	01/30/1998	03/01/2003	Systems Furniture-Milwaukee County Child Welfare	345,781.39	181,088.28
98-011	02/06/1998	03/01/2002	Magstar Tape Drives	625,760.00	133,669.45
98-012	02/06/1998	03/01/2001	DEC Alphaserver (Y2K)	55,607.79	9,633.93
98-013	02/06/1998	09/01/2004	DMV Year 2000 Updates/Redesign	130,427.90	84,552.22
98-016	02/27/1998	09/01/2001	Video Conferencing Equipment	97,397.00	29,466.94
98-017	02/27/1998	09/01/2004	DMV Year 2000 Updates/Redesign	112,326.27	73,369.82
98-018	02/27/1998	03/01/2003	University Information System	289,239.55	153,398.74
98-020	03/10/1998	03/01/2004	Xylox Seating System - Kohl Center	307,000.00	191,005.44
98-023	03/16/1998	09/01/2002	Upgrades to TIME System	440,820.13	139,613.05
98-027	03/16/1998	03/01/2004	Infrastructure for Mobile Data Computers (DOT)	137,445.14	85,706.71
98-028	03/16/1998	03/01/2001	IT Infrastructure (Wilson St Bldg.)	255,357.41	45,758.10
98-030	04/01/1998	03/01/2001	WiSMART Upgrades	566,354.50	102,809.98

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<u>Schedule</u>	<u>Origin Date</u>	<u>Maturity Date</u>	<u>Leased Item</u>	<u>Amount Financed</u>	<u>Principal Balance</u>
98-031	04/01/1998	03/01/2001	PCs	157,371.00	20,398.64
98-033	04/01/1998	03/01/2001	Conversion of WP from Wang to WORD	172,842.68	26,949.36
98-034	04/01/1998	03/01/2005	DMV Year 2000 Updates/Redesign	39,213.73	27,214.10
98-035	04/01/1998	03/01/2001	IT Migration Equipment/Software	265,671.29	48,227.13
98-036	04/01/1998	03/01/2003	University Information System	292,418.35	157,632.59
98-039	04/17/1998	03/01/2001	JetForm Electronic Forms Software	844,000.00	155,347.86
98-040	04/17/1998	03/01/2001	IT Infrastructure Hard (Servers)	223,598.72	41,155.91
98-041	04/17/1998	03/01/2003	Systems Furniture-Milwaukee County Child Welfare	525,255.80	285,326.07
98-042	04/17/1998	03/01/2003	WPDES Permit Streamlining	66,914.00	30,565.95
98-043	04/17/1998	03/01/2001	Personal Computers	89,237.00	16,425.08
98-044	04/17/1998	03/01/2005	DMV Database Redesign	116,233.50	81,076.47
98-045	04/17/1998	03/01/2001	IT Migration Equipment	143,974.50	26,500.16
98-046	05/05/1998	03/01/2005	DMV Database Redesign	83,066.65	58,290.57
98-047	05/05/1998	03/01/2005	DMV Year 2000 Updates/Redesign	150,044.76	105,291.27
98-050	05/05/1998	03/01/2001	Imaging Equipment-Criminal History Records	252,736.33	14,966.91
98-052	05/05/1998	03/01/2001	Systems Furniture-OCTE	29,451.33	5,509.31
98-055	06/02/1998	03/01/2001	IBM Cut Sheet Printers	120,550.00	23,118.28
98-056	06/02/1998	03/01/2004	Infrastructure for Mobile Data Computers (DOT)	205,006.18	131,757.83
98-057	06/02/1998	03/01/2003	WPDES Permit Streamlining	58,827.75	32,687.19
98-058	06/02/1998	03/01/2005	DMV Database Redesign	101,948.46	72,192.17
98-059	06/02/1998	03/01/2005	DMV Year 2000 Updates/Redesign	104,670.51	74,119.71
98-061	06/02/1998	03/01/2001	IT Migration Equipment	115,042.85	22,062.16
98-062	06/02/1998	03/01/2001	Optical Storage Tapes-Hill Farms State Off Bld.	68,259.60	13,090.38
98-064	06/23/1998	09/01/2001	EtherNet Switching Equipment	817,790.10	166,878.13
98-066	06/23/1998	03/01/2001	DASD	671,000.00	131,272.25
98-067	06/23/1998	03/01/2001	Optical Storage Units-Hill Farms State Off Bld.	106,976.00	20,928.44
98-068	06/23/1998	03/01/2001	WiSMART Upgrades	405,600.00	79,350.26
98-069	06/23/1998	03/01/2003	Systems Furniture-Milwaukee County Child Welfare	30,264.24	16,999.44
98-070	06/23/1998	03/01/2001	IT Hardware-Switching Equipment	53,629.00	10,491.81
98-071	06/23/1998	03/01/2003	WPDES Permit Streamlining	58,000.75	32,579.03
98-072	06/23/1998	03/01/2001	PCs	301,432.98	58,971.36
98-073	06/23/1998	03/01/2002	Vehicle/Truck for Ag. Research and Various Depts.	20,890.00	8,944.30
98-075	06/23/1998	03/01/2005	DMV Year 2000 Updates/Redesign	32,719.82	23,336.74
98-076	06/23/1998	03/01/2005	DMV Database Redesign	70,752.31	50,462.66
98-077	07/08/1998	03/01/2001	IT Equipment-Migration (WORD/Hub Hardware)	113,053.80	22,440.24
98-078	07/08/1998	03/01/2001	IT Equipment-Migration (PCs, Train Facility)	880,695.45	174,810.78
98-079	07/08/1998	03/01/2001	PCs - Delinquent Tax Collection System	273,791.90	54,345.44
98-081	07/08/1998	03/01/2001	IT Equipment-Campground System	396,442.00	39,496.68
98-083	07/08/1998	03/01/2001	Electronic Forms Software	234,667.00	46,579.46
98-084	07/30/1998	03/01/2001	Electronic Forms Software	150,000.00	30,433.49
98-085	07/30/1998	03/01/2001	WiSMART Upgrades	116,465.00	23,629.57
98-086	07/30/1998	03/01/2003	WPDES Permit Streamlining	60,192.00	34,476.25
98-087	07/30/1998	03/01/2001	IT Migration-Servers	773,791.50	156,994.49
98-088	07/30/1998	03/01/2005	DMV Year 2000 Updates/Redesign	104,994.79	75,853.78
98-090	07/30/1998	03/01/2005	DMV Database Redesign	66,011.46	47,705.23
98-091	07/30/1998	03/01/2003	Microwave/Refrigerator Units	339,830.00	171,863.71
98-093	07/30/1998	09/01/2001	Tractor	23,070.00	7,855.39
98-094	07/30/1998	09/01/2001	Ag. Field Sprayer	75,700.00	25,776.03
98-095	08/19/1998	09/01/2001	Personal Computers	309,934.00	85,415.15
98-096	08/19/1998	09/01/2003	WPDES Permit Streamlining	49,982.00	31,273.80
98-099	08/19/1998	03/01/2005	DMV Year 2000 Updates/Redesign	113,400.61	82,500.46
98-100	08/19/1998	03/01/2005	DMV Database Redesign	104,105.65	75,738.26
98-101	09/11/1998	09/01/2001	DEC AlphaServer 4100	231,387.17	81,482.77
98-103	09/11/1998	09/01/2001	Computer Switches	97,245.67	34,244.97

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<u>Schedule</u>	<u>Origin Date</u>	<u>Maturity Date</u>	<u>Leased Item</u>	<u>Amount Financed</u>	<u>Principal Balance</u>
98-104	09/11/1998	09/01/2001	PCs/Laptops/LAN Infrastructure	209,385.71	73,734.98
98-105	09/11/1998	09/01/2003	IBM Multipurpose Mainframe CPU/2GB	2,267,800.00	1,433,614.55
98-106	10/08/1998	03/01/2001	PCs-IT Migration	87,796.00	18,277.01
98-107	10/08/1998	03/01/2003	Systems Furniture	33,966.17	20,182.77
98-108	10/08/1998	03/01/2005	DMV Year 2000 Updates/Redesign	158,790.81	117,493.20
98-109	10/08/1998	03/01/2005	DMV Database Redesign	84,330.13	62,397.92
98-110	10/08/1998	09/01/2003	WPDES Permit Streamlining	54,985.00	35,209.18
98-112	10/08/1998	03/01/2001	IT Migration - PCS, WORD Conversion.	337,893.95	73,554.14
98-113	10/08/1998	09/01/2001	IT Migration Equipment/ WORD	509,553.44	183,622.51
98-114	10/08/1998	09/01/2001	IT Migration - State&Local Finance	171,026.17	61,630.93
98-115	10/08/1998	03/01/2001	Oracle Software for Y2K Server	10,660.00	2,320.51
98-117	10/08/1998	03/01/2001	PCs-IT Migration	97,461.00	20,289.03
98-118	11/06/1998	03/01/2003	University Information System	259,107.86	111,770.90
98-119	11/06/1998	03/01/2005	DMV Database Redesign	148,639.11	111,078.72
98-120	11/06/1998	03/01/2005	DMV Year 2000 Updates/Redesign	49,980.37	37,350.56
98-121	11/06/1998	03/01/2002	Suburban for Dept of Agronomy	28,341.00	13,344.53
98-122	11/06/1998	09/01/2001	CISCO Server-WiscWorld	242,350.50	89,518.09
98-123	11/06/1998	09/01/2001	WiSMART Upgrades	75,570.00	27,913.63
98-124	11/06/1998	09/01/2003	WPDES Permit Streamlining	39,607.00	25,710.27
98-125	11/06/1998	09/01/2001	Data Protocol Converter for Mobile Comp.	109,032.00	40,273.63
98-126	11/06/1998	09/01/2001	Servers for NT Migration	384,829.50	142,146.20
98-127	11/06/1998	09/01/2002	Upgrades to TIME System	222,095.00	121,236.29
98-128	11/06/1998	09/01/2004	Voting Systems	200,000.00	143,408.14
98-129	11/20/1998	09/01/2001	Servers for DHFS use	233,301.50	87,275.08
98-130	11/20/1998	09/01/2004	IT Migration-Infrastructure Components	627,192.01	452,229.51
98-131	11/20/1998	09/01/2001	PCs/IT for Audit Automation	269,577.45	66,962.30
98-132	11/20/1998	03/01/2001	Electronic Forms Software	250,000.00	56,988.49
98-133	11/20/1998	03/01/2005	DMV Database Redesign	97,192.09	72,998.80
98-134	11/20/1998	03/01/2005	DMV Year 2000 Updates/Redesign	58,342.81	43,819.99
98-135	11/20/1998	03/01/2001	Tractor - Rhinelander Research Station	37,858.00	8,629.89
98-136	12/14/1998	09/01/2005	BadgerNet Statewide Telecom Infrastructure Phase 1	7,519,106.05	3,177,012.67
98-137	12/14/1998	09/01/2002	WONDER Codec Upgrades	453,074.00	93,116.29
98-138	12/14/1998	03/01/2001	Electronic Forms Software	144,000.00	33,745.37
98-139	12/14/1998	09/01/2004	IT-Migration Cable/Fiber	1,132,715.74	824,664.59
98-140	12/14/1998	09/01/2001	WiSMART Upgrades	80,520.00	30,799.52
98-141	12/23/1998	09/01/2001	IT Migration - Personal Computers	1,074,802.00	414,639.78
98-142	12/23/1998	09/01/2004	IT Migration - Cable/Fiber and Vote System	123,900.00	90,536.05
99-001	01/22/1999	03/01/2003	DSU/CSU Connectors for BadgerNet System	618,262.50	394,819.65
99-002	01/22/1999	09/01/2002	Point-of-Sale License Terminals	1,204,200.00	700,668.61
99-004	01/22/1999	03/01/2001	IT Equipment-Migration to Standards	99,293.30	24,748.15
99-005	01/22/1999	03/01/2001	IT Equipment-Migration to Standards	57,191.90	14,008.11
99-007	01/22/1999	09/01/2005	DMV Database Redesign	213,044.47	72,194.67
99-008	01/22/1999	03/01/2005	DMV Year 2000 Updates/Redesign	145,267.67	112,176.59
99-009	01/22/1999	03/01/2001	IT Equipment-Campground Reservation System	6,897.00	1,719.02
99-010	01/22/1999	09/01/2004	IT Migration-Network Infrastructure/Laptops	150,348.00	102,203.82
99-011	02/18/1999	09/01/2005	BadgerNet Statewide Telecom Infrastructure Phase 1&2	9,212,723.40	7,474,533.36
99-013	02/25/1999	03/01/2002	FATS-Upgrades to Firearm Train System	34,325.00	17,865.21
99-014	02/25/1999	09/01/2004	IT Migration-Network Infrastructure	207,957.00	137,463.87
99-015	02/25/1999	09/01/2002	Point-of-Sale License Terminals/Printers	745,175.00	443,487.68
99-016	02/25/1999	09/01/2003	WPDES Upgrades	36,983.50	18,550.97
99-017	02/25/1999	03/01/2005	DMV Database Y2K Upgrades	30,021.32	23,468.19
99-018	02/25/1999	09/01/2005	DMV Database Redesign	119,014.90	95,418.84
99-019	02/25/1999	03/01/2001	R72 IBM Mainframe CPU	1,804,251.00	454,250.40
99-021	03/12/1999	03/01/2003	CSU/DSU Connectors for BadgerNet	370,957.50	244,049.92
99-022	03/12/1999	09/01/2004	IT Migration-Network Fiber/Cable	159,214.47	121,550.11

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<u>Schedule</u>	<u>Origin Date</u>	<u>Maturity Date</u>	<u>Leased Item</u>	<u>Amount Financed</u>	<u>Principal Balance</u>
99-023	03/12/1999	03/01/2001	Servers	82,150.00	15,964.68
99-024	03/12/1999	03/01/2002	DEC Server Upgrades-Network	189,665.28	90,034.16
99-025	03/26/1999	09/01/2004	IT Migration-Laptops/Network	746,228.25	370,597.66
99-026	03/26/1999	09/01/2005	DMV Database Redesign	103,317.05	83,722.60
99-027	03/26/1999	03/01/2005	DMV Y2k Database Upgrades	324,463.39	256,640.03
99-029	03/26/1999	03/01/2002	Servers for Univ. Information System	479,389.20	256,088.27
99-030	03/26/1999	03/01/2002	Info Mgmt System - Crime Labs	226,722.50	121,114.47
99-032	03/26/1999	09/01/2003	WPDES Permit Streamlining	34,400.50	24,296.29
99-034	04/20/1999	09/01/2004	IT-Migration/Infrastructure	273,586.27	168,838.63
99-035	04/20/1999	09/01/2002	Point-of-Sale License Terminals	50,570.00	31,306.25
99-036	04/20/1999	03/01/2001	Combine-Dept of Agronomy	119,979.00	18,433.29
99-038	04/20/1999	03/01/2002	Car-Straightening System	33,700.00	18,381.21
99-039	04/20/1999	03/01/2002	Computer Equipment	36,951.80	20,154.85
99-040	05/13/1999	03/01/2002	DASD for DoIT	58,840.00	32,759.27
99-042	05/13/1999	03/01/2002	PC/Laptops/Printers for BEITA	87,835.95	48,902.80
99-045	05/13/1999	03/01/2002	IT Equipment/Servers GEF III/Bld. L	100,219.95	55,797.64
99-046	05/13/1999	03/01/2002	Systems Furniture - Fox Valley Offices	52,757.96	29,373.10
99-047	05/13/1999	03/01/2002	Systems Furniture - GEF Surge Locations	138,846.00	77,302.74
99-048	05/13/1999	09/01/2005	DMV Database Redesign	149,827.64	123,448.50
99-049	05/13/1999	03/01/2005	DMV Y2k Database Upgrades	188,141.35	151,569.21
99-050	05/13/1999	03/01/2002	Information System - State Crime Labs	226,722.50	126,228.16
99-051	05/13/1999	09/01/2003	WPDES Permit Streamlining	73,342.00	53,157.73
99-053	05/13/1999	03/01/2006	vhf Trunking Infrastructure	311,250.00	36,393.84
99-054	05/13/1999	03/01/2006	vhf Trunking Infrastructure	311,250.00	37,658.69
99-055	05/25/1999	03/01/2002	Escon Connectors	404,669.00	227,780.40
99-056	05/25/1999	03/01/2004	Truck for College of Life and Ag Science	17,032.00	12,977.16
99-058	05/25/1999	03/01/2005	DMV Y2k Database Upgrades	148,513.79	120,218.78
99-059	05/25/1999	09/01/2005	DMV Database Redesign	92,165.37	76,268.30
99-060	08/12/1999	09/01/2005	BadgerNet Statewide Telecom Infrastructure Phase 1&2	2,225,241.00	1,467,026.68
99-061	06/04/1999	03/01/2001	Servers for College of Ag Life Sciences	49,662.00	6,278.95
99-062	06/04/1999	03/01/2002	IT Migration-Miscellaneous Department Use	172,593.75	97,961.41
99-063	06/04/1999	09/01/2002	Point-of-Sale License Terminals	35,035.00	22,422.23
99-064	06/04/1999	09/01/2004	IT Migration/Infrastructure	27,536.68	21,785.90
99-066	06/21/1999	03/01/2002	PCs for Academic Computing	233,250.00	134,521.44
99-067	06/21/1999	03/01/2004	Trucks for CALS/Research Stations	39,128.00	28,824.54
99-068	06/21/1999	03/01/2003	IT Infrastructure for Learning Innovation	120,463.65	84,432.74
99-070	06/21/1999	03/01/2002	PCs for Terrestrial Eco System Research	46,038.00	23,634.82
99-071	06/21/1999	09/01/2003	WPDES Permit Streamlining	48,026.50	35,574.23
99-072	06/21/1999	09/01/2004	Systems Furniture-1 West Wilson St	233,538.68	186,191.80
99-073	06/21/1999	03/01/2003	Software for Statewide UCC System	95,000.00	66,585.30
99-075	07/02/1999	03/01/2002	Spectrometer-Newborn Program	227,348.86	132,505.82
99-078	07/02/1999	03/01/2005	DMV Y2k Database Upgrades	148,737.41	122,223.22
99-079	07/02/1999	09/01/2005	DMV Database Redesign	134,498.65	112,823.61
99-081	07/20/1999	03/01/2002	Personal Computers/IT Equipment	20,096.00	11,920.04
99-082	07/20/1999	03/01/2004	Trucks	33,138.00	24,786.98
99-083	07/20/1999	03/01/2003	Tractor	21,708.00	13,854.63
99-084	07/20/1999	03/01/2004	Front-End Loader/Bucket	50,000.00	39,185.68
99-087	07/20/1999	09/01/2004	Systems Furniture-1 West Wilson St	314,391.44	254,022.52
99-088	07/20/1999	03/01/2002	2.8 TB DASD	528,000.00	313,185.55
99-089	08/12/1999	03/01/2004	Trucks	100,043.00	77,867.75
99-090	08/12/1999	09/01/2002	EtherNet Network Training	16,719.50	11,446.60
99-093	08/12/1999	09/01/2005	DMV Database Redesign	90,222.71	76,852.32
99-094	08/12/1999	03/01/2005	DMV Y2k Database Upgrades	101,451.25	84,793.56
99-095	08/12/1999	09/01/2002	Point-of-Sale License Terminals	60,550.00	40,951.37
99-096	08/12/1999	09/01/2003	WPDES Permit Streamlining	54,102.25	41,326.47

OUTSTANDING MASTER LEASE SCHEDULES--Continued
(As of September 1, 2000)

<u>Schedule</u>	<u>Orgin Date</u>	<u>Maturity Date</u>	<u>Leased Item</u>	<u>Amount Financed</u>	<u>Principal Balance</u>
99-097	08/12/1999	09/01/2003	Upgrades to TIME System	115,674.08	88,358.63
99-098	08/12/1999	03/01/2003	Statewide UCC System	250,000.00	181,569.03
99-100	09/02/1999	03/01/2001	Personal Computers- Research	6,882.43	1,519.28
99-101	09/02/1999	09/01/2005	DMV Database Redesign	69,970.84	60,049.73
99-102	09/02/1999	03/01/2005	DMV Y2k Database Upgrades	23,425.32	19,742.24
99-103	09/02/1999	09/01/2001	PC Workstations-LAB	34,321.00	17,711.16
99-104	09/02/1999	09/01/2002	Systems Furniture-FLR 9 Hill Farms State Off. Bldg.	51,330.33	35,291.08
99-106	09/02/1999	09/01/2003	Upgrades to TIME System	115,674.08	89,421.91
99-107	09/02/1999	09/01/2004	Systems Furniture-1 West Wilson St	51,491.57	42,440.16
99-108	09/02/1999	03/01/2003	CSU/DSU Connectors for BadgerNet	164,870.00	120,017.18
99-109	09/02/1999	09/01/2002	Tractors - Arlington/Spooner	92,557.00	63,635.61
99-111	09/20/1999	09/01/2005	BadgerNet Statewide Telecom Infrastructure Aurora	407,992.00	353,257.03
99-112	09/20/1999	03/01/2003	Statewide UCC System	127,600.00	95,172.76
99-113	09/20/1999	03/01/2006	vhF Trunking Project (DOT)	792,578.64	694,828.53
99-114	09/20/1999	03/01/2006	vhF Trunking Project (DNR)	792,578.63	694,828.52
99-116	09/20/1999	03/01/2005	DMV Y2k Database Upgrades	107,130.70	90,973.92
99-117	09/20/1999	09/01/2005	DMV Database Redesign	53,228.36	45,994.36
99-118	09/20/1999	09/01/2002	EtherNet Network Equip	108,538.38	75,760.21
99-119	09/20/1999	09/01/2002	IT Equipment	133,088.50	92,490.79
99-120	10/13/1999	09/01/2002	Tractor-Lancaster	37,276.80	26,539.62
99-121	10/13/1999	09/01/2004	Trucks	26,830.00	22,549.02
99-122	10/13/1999	09/01/2002	Servers for Info System Capacity	114,039.30	81,191.52
99-123	10/13/1999	03/01/2004	Front-End Loader/Bucket	46,100.00	37,772.38
99-124	10/13/1999	09/01/2002	Laptop Computers -LAB	17,169.56	11,844.80
99-127	10/13/1999	09/01/2003	WPDES Permit Streamlining	23,584.00	18,697.65
99-128	10/29/1999	03/01/2005	DMV Y2k Database Upgrades	90,303.22	77,982.28
99-129	10/29/1999	09/01/2001	IT Equipment-Standards Misc.	110,003.18	44,195.56
99-131	10/29/1999	09/01/2002	Mobile Computers-DNR Wardens	387,975.00	280,145.61
99-133	10/29/1999	03/01/2003	Software for Statewide UCC System	100,000.00	76,739.21
99-134	11/19/1999	03/01/2004	Trucks	115,449.00	79,933.79
99-135	11/19/1999	09/01/2004	Laptops LAB/Server	130,348.02	108,815.70
99-136	11/19/1999	03/01/2005	DMV Y2k Database Upgrades	35,242.50	30,703.23
99-138	11/19/1999	09/01/2002	Mobile Computers- DNR Wardens	126,320.80	92,871.32
99-139	11/19/1999	09/01/2003	WPDES Permit Streamlining	12,320.00	9,994.70
99-140	11/19/1999	09/01/2004	Truck-Badger State Industries	63,800.00	54,575.81
99-141	12/13/1999	03/01/2006	vhF Trunking Pilot	141,171.36	35,372.73
99-142	12/13/1999	03/01/2006	vhF Trunking Pilot	141,171.37	35,372.74
99-145	12/13/1999	09/01/2004	Systems Furniture-1 West Wilson St	230,726.74	199,766.44
99-146	12/13/1999	03/01/2001	External Disk Storage/Robotic Tape System	725,815.43	228,268.63
99-149	12/30/1999	03/01/2003	Software for Statewide UCC System	305,000.00	245,317.55
99-150	12/30/1999	09/01/2002	EtheNet IT Equipment	3,017.79	2,305.53
00-001	01/18/2000	03/01/2004	Trucks	41,345.00	35,794.41
00-002	01/18/2000	09/01/2004	Systems Furniture-Learning Innovations	244,494.44	215,692.13
00-004	01/18/2000	09/01/2002	Mobile Computers- DNR Wardens	93,780.00	73,005.58
00-005	01/18/2000	09/01/2002	Laptops/IT Equip-LAB	75,901.82	59,087.83
00-006	02/07/2000	03/01/2005	University Information System	131,315.23	118,601.73
00-007	02/07/2000	03/01/2003	Call Management System-Delinquent Taxes	103,360.49	85,729.93
00-009	02/07/2000	09/01/2005	BadgerNet Statewide Telecom Infrastructure Phase 3&4	11,809,001.00	9,039,494.15
00-010	02/07/2000	09/01/2006	CADD -Computer Aid Dispatch System	478,610.00	285,636.15
00-011	02/29/2000	03/01/2003	IT Migration-Tax Processing PCs/Misc..	100,198.84	84,686.60
00-016	02/29/2000	09/01/2004	Systems Furniture-1 West Wilson St	115,452.49	104,090.90
00-018	03/21/2000	03/01/2003	PCs	57,188.44	31,990.20
00-019	03/21/2000	03/01/2004	LTSB IT Infrastructure - LAB Move	26,975.96	24,249.27
00-020	03/21/2000	03/01/2005	Statewide Child Welfare System-WISACWIS	530,375.54	488,960.87
00-021	03/21/2000	03/01/2003	PCs for BEITA	112,465.00	96,744.53

OUTSTANDING MASTER LEASE SCHEDULES—Continued
(As of September 1, 2000)

<u>Schedule</u>	<u>Orign Date</u>	<u>Maturity Date</u>	<u>Leased Item</u>	<u>Amount Financed</u>	<u>Principal Balance</u>
00-023	03/21/2000	03/01/2003	DASD	426,545.00	301,650.41
00-024	04/13/2000	03/01/2005	University Information System	25,512.50	23,769.58
00-025	04/13/2000	03/01/2003	Wisconsin Waters Initiative - IT Software	123,671.82	108,419.91
00-026	04/13/2000	09/01/2004	Systems Furniture-1 West Wilson St	206,791.47	190,797.57
00-027	04/13/2000	03/01/2003	IT/Develop Graphic Apps	41,770.27	23,634.47
00-028	04/13/2000	03/01/2003	AlphaServers-DNRORACLE/APS	152,642.71	133,817.94
00-029	04/13/2000	03/01/2003	Software for Statewide UCC System	100,000.00	87,667.43
00-030	04/13/2000	03/01/2005	Statewide Child Welfare System-WISACWIS	167,811.20	156,346.96
00-031	04/28/2000	03/01/2015	WEI3 - Energy Perf Contract Charter Street Phase 1	569,400.00	569,400.00
00-032	04/28/2000	03/01/2015	WEI3 - Energy Perf Contract Charter Street Phase 2	1,450,000.00	1,450,000.00
00-034	04/28/2000	03/01/2003	Upgrade/Expand Call Mgmt System	96,130.17	85,395.65
00-035	04/28/2000	03/01/2004	IT Servers/Cabling - LAB Move	113,720.04	104,619.70
00-036	04/28/2000	03/01/2005	Development of State Human Resourse System	82,615.00	77,534.75
00-037	04/28/2000	03/01/2005	Development of State Human Resourse System	82,185.00	77,131.20
00-038	04/28/2000	09/01/2003	Upgrade to TIME System	154,232.09	139,815.85
00-039	04/28/2000	03/01/2003	CISCO EtherNet LAN Equip	711,227.00	631,806.72
00-040	04/28/2000	09/01/2002	IT Upgrades	242,209.54	171,086.07
00-042	05/18/2000	03/01/2005	Development of State Human Resourse System	29,870.00	28,311.31
00-043	05/18/2000	09/01/2003	Wet Ground Suppression Vehicles	196,000.00	145,035.96
00-044	05/18/2000	03/01/2003	IT Equipment-Department-Wide Use	88,185.50	79,760.92
00-045	05/18/2000	03/01/2015	WEI3 - Energy Perf Contract Biotron Facility	74,600.00	74,600.00
00-046	05/26/2000	03/01/2005	Statewide Child Welfare System-WISACWIS	67,054.60	63,809.96
00-047	05/26/2000	03/01/2003	IT/Develop Graphic Applications	54,308.00	49,481.01
00-048	05/26/2000	03/01/2003	PCs	419,000.20	44,646.07
00-049	05/26/2000	03/01/2004	Golf Course Maintenance Equipment	71,489.00	66,968.32
00-050	05/26/2000	03/01/2007	Digital Microwave Communication InfrastructureEquip	1,343,109.85	1,232,967.05
00-052	05/26/2000	03/01/2003	Wisconsin Waters Initiative - GPS Units	52,329.10	36,471.24
00-054	06/20/2000	09/01/2004	Systems Furniture	151,819.10	145,473.03
00-055	06/20/2000	03/01/2003	PCs/Scanning Unit	136,649.78	121,986.44
00-057	06/20/2000	03/01/2005	University Information System	17,971.50	17,310.93
00-058	06/20/2000	03/01/2003	Tractor - Hancock Ag Research	31,698.00	29,535.76
00-059	06/20/2000	03/01/2003	PCs/Hardware/Software	156,716.25	146,026.04
00-060	06/20/2000	03/01/2005	Development of State Human Resourse System	32,972.50	31,760.55
00-061	06/30/2000	03/01/2003	Software for Statewide UCC System	200,000.00	188,145.92
00-062	06/30/2000	03/01/2004	IT LAN Infrastructure-New Build Phase 2	295,204.85	167,885.33
00-063	06/30/2000	09/01/2004	Systems Furniture	167,421.33	161,363.13
00-064	06/30/2000	03/01/2003	PCs/LAN EtherNet	165,162.64	155,373.38
00-065	06/30/2000	03/01/2005	Statewide Child Welfare System-WISACWIS	282,514.40	273,531.41
00-066	06/30/2000	03/01/2003	IT Infrastructure Hard/Software	285,486.27	174,492.42
00-067	06/30/2000	03/01/2003	IT Equipment/Graphic App Development	37,084.20	34,886.20
00-068	06/30/2000	03/01/2015	WEI3 - Energy Perf Contract Marathon County	32,594.00	32,358.67
00-069	07/19/2000	03/01/2005	Statewide Child Welfare System-WISACWIS	77,056.00	75,346.71
00-070	07/19/2000	03/01/2005	Development of State Human Resourse System	24,432.50	23,890.52
00-071	07/19/2000	03/01/2004	IT Infrastrucgture-22 E Mifflin (LAB)	36,450.00	35,384.33
00-072	07/19/2000	03/01/2003	Personal Computers - Academic	62,260.00	59,663.31
00-073	07/19/2000	03/01/2015	WEI3 - Energy Perf Contract Charter Street Phase 1	624,000.00	624,000.00
00-074	07/19/2000	03/01/2015	WEI3 - Energy Perf Contract Charter Street Phase 2	1,800,000.00	1,800,000.00
00-075	07/19/2000	03/01/2003	Wisconsin Waters Initiative - Digital Cameras	18,840.00	18,054.24
00-076	08/07/2000	09/01/2005	BadgerNet Statewide Telecom Infrastructure VOTS	53,661.00	53,661.00
00-077	08/07/2000	03/01/2005	University Information System	146,631.22	146,631.22
00-078	08/07/2000	03/01/2004	Systems Furniture-FLR7 Hill Farms State Off. Bldg.	50,055.45	50,055.45
00-079	08/07/2000	09/01/2005	Statewide Child Welfare System-WISACWIS	261,316.80	261,316.80
00-080	08/07/2000	09/01/2006	Integrated Tax System-Data Warehouse	121,286.00	121,286.00
00-081	08/07/2000	09/01/2015	WEI3 - Energy Perf Contract UW-Milwaukee	501,520.00	501,520.00
00-082	08/07/2000	03/01/2003	IT Equipment-Department Wide Use	83,517.00	83,517.00

OUTSTANDING MASTER LEASE SCHEDULES—Continued
(As of September 1, 2000)

<u>Schedule</u>	<u>Orgin Date</u>	<u>Maturity Date</u>	<u>Leased Item</u>	<u>Amount Financed</u>	<u>Principal Balance</u>
00-083	08/25/2000	09/01/2005	BadgerNet Statewide Telecom Infrastructure DeForest	114,352.00	114,352.00
00-084	08/25/2000	03/01/2004	Systems Furniture	61,298.58	61,298.58
00-085	08/25/2000	09/01/2004	Learning Innovations - Video Conference Equipment	72,418.63	72,418.63
00-086	08/25/2000	03/01/2015	WEI3 - Energy Perf Contract Marathon County	102,562.00	102,562.00
00-087	08/25/2000	09/01/2005	Heidelberg 4-Color Press	300,000.00	300,000.00
00-088	08/25/2000	09/01/2003	Systems Furniture-Milwaukee State Office Building	113,126.80	39,636.08
00-089	08/25/2000	03/01/2003	SWEEP Anti-Virus Software	70,000.00	70,000.00
00-090	08/25/2000	09/01/2003	PCs	434,326.80	434,326.80
00-091	08/25/2000	09/01/2005	Statewide Child Welfare System-WISACWIS	236,636.00	236,636.00
00-092	08/25/2000	03/01/2003	IT/Development of Graphic Aps	71,570.00	71,570.00
00-093	08/25/2000	09/01/2007	Vapor Testing Units	94,170.00	64,370.00
Totals:				<u>\$ 106,003,471.37</u>	<u>\$ 63,214,808.00</u>

APPENDIX C

EXPECTED FORM OF LEGAL OPINION

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

(Letterhead of Foley & Lardner)

\$27,255,000

**Master Lease Certificates of Participation
of 2000, Series A
(State of Wisconsin)**

\$11,265,000

**Master Lease Certificates of Participation
of 2000, Series B (Taxable)
(State of Wisconsin)**

We have acted as bond counsel in connection with the issuance by Firststar Bank, National Association, as successor to Firststar Trust Company, as trustee (**Trustee**), of its Master Lease Certificates of Participation of 2000, Series A (State of Wisconsin) to the amount of \$27,255,000, dated the date of their delivery (**Series A Certificates**) and its Master Lease Certificates of Participation of 2000, Series B (Taxable)(State of Wisconsin) to the amount of \$11,265,000, dated the date of their delivery (**Series B (Taxable) Certificates**) (the Series A Certificates and the Series B (Taxable) Certificates are collectively referred to as **Certificates**), and evidencing a proportionate interest of the owners thereof in certain lease payments to be made by the State of Wisconsin (**State**), acting by and through the Department of Administration (**Department**), as lessee, under the Third Amended and Restated Master Lease (**Master Lease**), dated as of April 28, 2000, between the State, acting by and through the Department, and Firststar Bank, National Association, as successor to Firststar Bank Milwaukee, N.A., as lessor (**Lessor**). We investigated the law and examined such certified proceedings and other papers as we deemed necessary to render this opinion.

As to questions of fact material to our opinion, we relied upon the certified proceedings and other certificates of public officials furnished to us without undertaking to verify the same by independent investigation. We have also relied upon opinions of counsel for the Trustee and the Lessor.

We have not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Certificates (except to the extent, if any, stated in the Official Statement), and we express no opinion relating thereto (excepting only the matters set forth as our opinion in the Official Statement). However, in connection with the rendering of our opinion as to the validity of the Certificates, nothing has come to our attention that would lead us to believe that the Official Statement (except for the financial statements and other financial or statistical data included therein, as to which we express no view), as of the date of delivery of the Certificates, contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

The Master Lease was entered into pursuant to Section 16.76, Wisconsin Statutes, as amended, (**Act**). The Certificates are being issued pursuant to the Master Indenture, dated as of July 1, 1996, among the State, acting by and through the Department, Firststar Bank Milwaukee, N.A., and Firststar Trust Company, as trustee, the Supplemental Indenture No. 2000-A, dated as of September 19, 2000, among the State, acting by and through the Department, the Lessor, and the Trustee (**2000-A**

Supplemental Indenture) and the Supplemental Indenture No. 2000-B, dated as of September 19, 2000, among the State, acting by and through the Department, the Lessor, and the Trustee (**2000-B Supplemental Indenture**) (the 2000-A Supplemental Indenture and 2000-B Supplemental Indenture are collectively referred to as the **Supplemental Indentures**).

Based upon the foregoing, we are of the opinion that, under existing law:

1. The Certificates of each series, to the amount named, are valid obligations of the Trustee representing a proportionate interest in the lease payments assigned under the respective Supplemental Indenture.
2. The State is required to make the lease payments from any source of legally available funds, subject to annual appropriation. The obligation of the State to make the lease payments does not constitute an obligation of the State for which the State is obligated to levy or pledge any tax or for which the State has levied or pledged any tax. The obligation of the State to make the lease payments does not constitute public debt of the State or any of its political subdivisions as defined under Chapter 18 of the Wisconsin Statutes.
3. The interest on the Series A Certificates is excluded from gross income for federal income tax purposes, and the interest on the Series A Certificates is not an item of tax preference for purposes of the federal alternative minimum tax imposed on all taxpayers; it should be noted, however, that with respect to certain corporations (as defined for federal income tax purposes), such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on such corporations. We express no opinion regarding the federal income tax consequences resulting from ownership of the Series A Certificates or the receipt by owners thereof of payments on the Series A Certificates following the termination of the Master Lease resulting from an event of nonappropriation or an event of default thereunder. The opinions set forth in this subsection are subject to the condition that the State comply with all requirements of the Internal Revenue Code of 1986, as amended, and other federal tax legislation that must be satisfied subsequent to the issuance of the Series A Certificates in order that interest thereon be, or continue to be, excluded from gross income for federal income tax purposes. The State has covenanted to comply with each such requirement to the extent it may lawfully do so. Failure to comply with certain of such requirements may cause the inclusion of interest on the Series A Certificates in gross income for federal income tax purposes retroactively to the date of issuance of the Series A Certificates. We express no opinion regarding other federal tax consequences arising with respect to the Series A Certificates or the Series B (Taxable) Certificates.

It is to be understood that the rights of the owners of the Certificates and the enforceability of the Certificates may be subject to bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may be subject to the exercise of judicial discretion in appropriate cases.

Very truly yours,