
State of Wisconsin
Additional/Voluntary Filing # 2023-14
Dated April 11, 2023

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

Issuer: State of Wisconsin General Obligation Bonds

CUSIP Numbers:	97705L 8P5	97705M ME2	97705M PS8
	97705M CZ6	97705M MF9	97705M PT6
	97705M DA0	97705M MG7	97705M PU3
	97705M DE2	97705M MH5	97705M QM0
	97705M DF9	97705M MJ1	97705M QN8
	97705M DG7	97705M MK8	97705M QP3
	97705M DH5	97705M ML6	97705M QQ1
	97705M EE1	97705M MM4	97705M QR9
	97705M ZK4	97705M MN2	97705M RH0
	97705M GA7	97705M MZ5	97705M RJ6
	97705M GB5	97705M NA9	97705M RK3
	97705M GC3	97705M NB7	97705M RL1
	97705M GE9	97705M NC5	97705M RM9
	97705M GF6	97705M ND3	97705M RN7
	97705M GG4	97705M NE1	97705M RP2
	97705M GH2	97705M NF8	97705M RX5
	97705M GJ8	97705M NG6	97705M RY3
	97705M GU3	97705M NH4	97705M RZ0
	97705M GV1	97705M NJ0	97705M SA4
	97705M KC8	97705M NK7	97705M SB2
	97705M KG9	97705M ZM0	97705M SC0
	97705M KH7	97705M NR2	97705M ZQ1
	97705M KJ3	97705M NS0	97705M SE6
	97705M KK0	97705M NT8	97705M SF3
	97705M KL8	97705M NU5	97705M SG1
	97705M KM6	97705M NV3	97705M SH9
	97705M KS3	97705M ZN8	97705M UM5
	97705M KT1	97705M PL3	97705M UN3
	97705M KU8	97705M PM1	97705M UZ6
	97705M KV6	97705M PN9	97705M VA0
	97705M LP8	97705M PP4	97705M VB8
	97705M LQ6	97705M PQ2	97705M VC6
	97705M LR4	97705M PR0	97705M VD4

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

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

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

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

doa.wi.gov/capitalfinance
wisconsinbonds.com

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

/s/ AARON M. HEINTZ

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Wisconsin Department of Administration
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wisconsinbonds.com



STATE OF WISCONSIN

DEPARTMENT OF ADMINISTRATION

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

April 11, 2023

Dear Bondholder:

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

You are receiving this letter because the State is inviting an offer *to tender your Bonds for purchase by the State for cash* in connection with a potential refunding of a portion of its outstanding debt.

This invitation is further described in the “Invitation to Tender Bonds” dated April 11, 2023 (the “Tender Offer”) and is subject solely to the terms and conditions in the Tender Offer, to which reference is made for definitions of capitalized terms used herein and not otherwise defined. *Please see below for directions regarding how to access the Tender Offer and related documents via the web.*

Background

The Tender Offer is part of a plan by the State to refinance currently outstanding general obligation bonds. As part of the plan, the State intends to refund a portion of its indebtedness, and purchase those Bonds tendered and accepted pursuant to the Tender Offer, using proceeds from the State’s General Obligation Refunding Bonds of 2023, Series 2 as more fully described in the Preliminary Official Statement, which is part of the Tender Offer.

What is the Purchase Price for my Bonds?

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

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

Please see Appendix A for the indicative fixed spread or the indicative purchase price that the State expects to pay for tendered Bonds.

Please note that the fixed spreads and purchase prices listed in the Tender Offer are subject to change. On or about April 18, 2023, the State expects to publish the Pricing Notice, which will confirm or amend (i)

the fixed spreads and benchmark securities to be used in determining the prices to be paid by the State for each CUSIP for the Taxable Bonds, if any, purchased pursuant to the Tender Offer and (ii) the prices to be paid by the State for each CUSIP for the Tax-Exempt Bonds, if any, purchased pursuant to the Tender Offer.

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

What Happens if I Choose Not to Participate?

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

The deadline to offer your Bonds for purchase is April 25, 2023, at 5:00 p.m. New York City time unless extended or earlier terminated. Should you wish to participate, please contact your bank, broker or other financial advisor in advance of this date so that they may have sufficient time to relay your instructions to the State prior to expiration of the Tender Offer.

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

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

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

Morgan Stanley & Co. LLC
233 South Wacker Drive, 34th Floor
Chicago, Illinois 60606
Tel: (312) 706-4266
Attn: William Mack, Executive Director
Email: william.mack@morganstanley.com

Loop Capital Markets LLC
111 West Jackson Blvd, Suite 1901
Chicago, Illinois 60604
Tel: (312) 913-2229
Attn: Stratford Shields, Managing Director
Email: stratford.shields@loopcapital.com

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

Please note that the State retains the right to modify or withdraw the Tender Offer at any time through and including the Expiration Date (i.e., April 25, 2023, at 5:00 p.m. New York City Time) (unless earlier terminated or extended), provided, that the State shall provide notice of any such extension or amendment no less than five (5) business days prior to the Expiration Date, as it may be extended, all as more fully described in the Tender Offer.

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

STATE OF WISCONSIN

APPENDIX A

BONDS SUBJECT TO THE TENDER OFFER

TABLE 1 – TAXABLE BONDS

Series	CUSIP	Maturity Date	Interest Rate	Outstanding Principal Amount	Benchmark Treasury Security	Indicative Fixed Spreads†
2019 Series 1	97705MZM0	5/1/2027	2.141%	\$16,920,000	3.625% UST maturing 03/31/2028 CUSIP:91282CGT2	25.9
2019 Series 1	97705MNR2	5/1/2028	2.231%	7,415,000	3.625% UST maturing 03/31/2028 CUSIP:91282CGT2	34.1
2019 Series 1	97705MNS0	5/1/2029	2.281%	13,995,000	3.625% UST maturing 03/31/2030 CUSIP:91282CGS4	45.1
2019 Series 1	97705MNT8	5/1/2030	2.381%	13,000,000	3.625% UST maturing 03/31/2030 CUSIP:91282CGS4	43.0
2019 Series 1	97705MNU5	5/1/2031	2.451%	25,895,000	3.500% UST maturing 02/15/2033 CUSIP:91282CGM7	52.7
2019 Series 1	97705MNV3	5/1/2032	2.501%	62,875,000	3.500% UST maturing 02/15/2033 CUSIP:91282CGM7	58.3
2019 Series 1	97705MZN8	5/1/2033	2.531%	23,705,000	3.500% UST maturing 02/15/2033 CUSIP:91282CGM7	64.8
2020 Series 2	97705MQM0	5/1/2027	2.118%	7,005,000	3.625% UST maturing 03/31/2028 CUSIP:91282CGT2	25.9
2020 Series 2	97705MQN8	5/1/2028	2.217%	7,125,000	3.625% UST maturing 03/31/2028 CUSIP:91282CGT2	34.1
2020 Series 2	97705MQP3	5/1/2029	2.267%	45,740,000	3.625% UST maturing 03/31/2030 CUSIP:91282CGS4	45.1
2020 Series 2	97705MQQ1	5/1/2030	2.297%	19,090,000	3.625% UST maturing 03/31/2030 CUSIP:91282CGS4	42.9
2020 Series 2	97705MQR9	5/1/2031	2.347%	19,175,000	3.500% UST maturing 02/15/2033 CUSIP:91282CGM7	52.6
2020 Series 3	97705MRX5	5/1/2027	1.168%	1,175,000	3.625% UST maturing 03/31/2028 CUSIP:91282CGT2	24.8
2020 Series 3	97705MRY3	5/1/2028	1.436%	1,190,000	3.625% UST maturing 03/31/2028 CUSIP:91282CGT2	33.2
2020 Series 3	97705MRZ0	5/1/2029	1.536%	1,205,000	3.625% UST maturing 03/31/2030 CUSIP:91282CGS4	44.3
2020 Series 3	97705MSA4	5/1/2030	1.616%	1,225,000	3.625% UST maturing 03/31/2030 CUSIP:91282CGS4	41.9
2020 Series 3	97705MSB2	5/1/2031	1.736%	1,245,000	3.500% UST maturing 02/15/2033 CUSIP:91282CGM7	51.7
2020 Series 3	97705MSC0	5/1/2032	1.736%	25,540,000	3.500% UST maturing 02/15/2033 CUSIP:91282CGM7	57.2
2020 Series 3	97705MZQ1	5/1/2033	1.836%	21,895,000	3.500% UST maturing 02/15/2033 CUSIP:91282CGM7	63.5
2020 Series 3	97705MSE6	5/1/2034	1.936%	3,835,000	3.500% UST maturing 02/15/2033 CUSIP:91282CGM7	67.9
2020 Series 3	97705MSF3	5/1/2035	1.986%	3,965,000	3.500% UST maturing 02/15/2033 CUSIP:91282CGM7	72.6
2020 Series 3	97705MSG1	5/1/2038	2.385%	12,730,000	3.500% UST maturing 02/15/2033 CUSIP:91282CGM7	81.2
2020 Series 3	97705MSH9	5/1/2042	2.485%	19,105,000	3.625% UST maturing 02/15/2053 CUSIP:912810TN8	71.6
2021 Series 3	97705MUM5	5/1/2027	1.022%	435,000	3.625% UST maturing 03/31/2028 CUSIP:91282CGT2	24.6
2021 Series 3	97705MUN3	5/1/2028	1.122%	24,350,000	3.625% UST maturing 03/31/2028 CUSIP:91282CGT2	32.9

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

BONDS SUBJECT TO THE TENDER OFFER

TABLE 2 – TAX-EXEMPT BONDS

Series	CUSIP	Maturity Date	Interest Rate	Outstanding Principal Amount	Indicative Purchase Price as a Percentage of Par†
2015 Series 1	97705L8P5	5/1/2029	5.000%	\$27,445,000	105.834
2016 Series A	97705MCZ6	5/1/2028	5.000%	12,920,000	106.266
2016 Series A	97705MDA0	5/1/2029	5.000%	13,620,000	105.978
2016 Series A	97705MDE2	5/1/2033	5.000%	38,130,000	105.711
2016 Series A	97705MDF9	5/1/2034	5.000%	40,095,000	105.446
2016 Series A	97705MDG7	5/1/2035	5.000%	42,230,000	105.181
2016 Series A	97705MDH5	5/1/2036	5.000%	27,590,000	104.999
2016 Series 2	97705MEE1	11/1/2029	5.000%	43,200,000	109.372
2016 Series 2	97705MZK4	11/1/2030	5.000%	12,605,000	109.187
2017 Series A	97705MGA7	5/1/2029	5.000%	16,840,000	105.834
2017 Series A	97705MGB5	5/1/2030	5.000%	17,760,000	105.793
2017 Series A	97705MGC3	5/1/2031	5.000%	18,760,000	105.691
2017 Series A	97705MGE9	5/1/2033	5.000%	20,825,000	105.752
2017 Series A	97705MGF6	5/1/2034	5.000%	21,945,000	105.446
2017 Series A	97705MGG4	5/1/2035	5.000%	23,115,000	105.181
2017 Series A	97705MGH2	5/1/2036	5.000%	24,325,000	104.999
2017 Series A	97705MGJ8	5/1/2037	5.000%	28,085,000	104.816
2017 Series 1	97705MGU3	11/1/2030	5.000%	20,050,000	112.807
2017 Series 1	97705MGV1	11/1/2031	5.000%	50,915,000	112.763
2017 Series B	97705MKC8	5/1/2029	5.000%	9,245,000	105.834
2017 Series B	97705MKG9	5/1/2033	5.000%	11,345,000	105.711
2017 Series B	97705MKH7	5/1/2034	5.000%	11,945,000	105.446
2017 Series B	97705MKJ3	5/1/2035	5.000%	12,575,000	105.181
2017 Series B	97705MKK0	5/1/2036	5.000%	13,235,000	104.999
2017 Series B	97705MKL8	5/1/2037	5.000%	13,915,000	104.816
2017 Series B	97705MKM6	5/1/2038	5.000%	79,125,000	105.039
2017 Series 3	97705MKS3	11/1/2030	5.000%	56,255,000	112.807
2017 Series 3	97705MKT1	11/1/2031	5.000%	37,260,000	112.763
2017 Series 3	97705MKU8	11/1/2032	5.000%	39,295,000	112.634
2017 Series 3	97705MKV6	11/1/2033	5.000%	41,440,000	112.201
2018 Series A	97705MLP8	5/1/2033	4.000%	16,270,000	105.383
2018 Series A	97705MLQ6	5/1/2034	4.000%	17,140,000	105.275
2018 Series A	97705MLR4	5/1/2035	4.000%	18,110,000	105.051
2018 Series B	97705MME2	5/1/2031	5.000%	12,230,000	109.095
2018 Series B	97705MMF9	5/1/2032	5.000%	12,870,000	108.728
2018 Series B	97705MMG7	5/1/2033	5.000%	13,550,000	108.697
2018 Series B	97705MMH5	5/1/2034	5.000%	14,280,000	108.332
2018 Series B	97705MMJ1	5/1/2035	5.000%	15,040,000	107.967
2018 Series B	97705MMK8	5/1/2036	5.000%	15,830,000	107.695
2018 Series B	97705MML6	5/1/2037	5.000%	16,700,000	107.424
2018 Series B	97705MMM4	5/1/2038	5.000%	17,585,000	107.243
2018 Series B	97705MMN2	5/1/2039	5.000%	30,915,000	107.093

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

BONDS SUBJECT TO THE TENDER OFFER

TABLE 2 – TAX-EXEMPT BONDS

(CONTINUED)

Series	CUSIP	Maturity Date	Interest Rate	Outstanding Principal Amount	Indicative Purchase Price as a Percentage of Par†
2019 Series A	97705MMZ5	5/1/2030	5.000%	11,340,000	109.279
2019 Series A	97705MNA9	5/1/2031	5.000%	9,450,000	109.095
2019 Series A	97705MNB7	5/1/2032	5.000%	9,950,000	108.758
2019 Series A	97705MNC5	5/1/2033	5.000%	10,475,000	108.697
2019 Series A	97705MND3	5/1/2034	5.000%	11,020,000	108.332
2019 Series A	97705MNE1	5/1/2035	5.000%	11,600,000	107.967
2019 Series A	97705MNF8	5/1/2036	5.000%	12,195,000	107.695
2019 Series A	97705MNG6	5/1/2037	5.000%	12,825,000	107.424
2019 Series A	97705MNH4	5/1/2038	5.000%	13,480,000	107.243
2019 Series A	97705MNJ0	5/1/2039	5.000%	14,170,000	107.093
2019 Series A	97705MNK7	5/1/2040	5.000%	19,620,000	106.884
2019 Series B	97705MPL3	5/1/2032	4.000%	12,500,000	107.183
2019 Series B	97705MPM1	5/1/2033	4.000%	13,185,000	106.918
2019 Series B	97705MPN9	5/1/2034	5.000%	13,005,000	112.056
2019 Series B	97705MPP4	5/1/2035	5.000%	13,675,000	111.385
2019 Series B	97705MPQ2	5/1/2036	5.000%	14,385,000	110.71
2019 Series B	97705MPR0	5/1/2037	5.000%	15,140,000	110.217
2019 Series B	97705MPS8	5/1/2038	5.000%	15,930,000	109.933
2019 Series B	97705MPT6	5/1/2039	5.000%	16,750,000	109.653
2019 Series B	97705MPU3	5/1/2040	5.000%	17,825,000	109.329
2020 Series A	97705MRH0	5/1/2032	5.000%	9,870,000	115.501
2020 Series A	97705MRJ6	5/1/2033	5.000%	10,340,000	115.362
2020 Series A	97705MRK3	5/1/2034	5.000%	10,880,000	114.869
2020 Series A	97705MRL1	5/1/2035	5.000%	11,430,000	114.132
2020 Series A	97705MRM9	5/1/2036	5.000%	12,045,000	112.788
2020 Series A	97705MRN7	5/1/2037	5.000%	12,650,000	112.227
2020 Series A	97705MRP2	5/1/2038	5.000%	13,310,000	111.776
2021 Series A	97705MUZ6	5/1/2032	5.000%	9,800,000	115.501
2021 Series A	97705MVA0	5/1/2033	5.000%	10,300,000	115.362
2021 Series A	97705MVB8	5/1/2034	5.000%	10,820,000	114.869
2021 Series A	97705MVC6	5/1/2035	5.000%	11,365,000	114.132
2021 Series A	97705MVD4	5/1/2036	5.000%	11,945,000	112.788

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

INVITATION TO TENDER BONDS

made by
STATE OF WISCONSIN

to the Holders described herein of all or any portion of the maturities listed on pages (i) and (ii) through (iii) herein of the
STATE OF WISCONSIN

General Obligation Refunding Bonds of 2015, Series 1
General Obligation Bonds of 2016, Series A
General Obligation Refunding Bonds of 2016, Series 2
General Obligation Bonds of 2017, Series A
General Obligation Refunding Bonds of 2017, Series 1
General Obligation Bonds of 2017, Series B
General Obligation Refunding Bonds of 2017, Series 3
General Obligation Bonds of 2018, Series A
General Obligation Bonds of 2018, Series B

General Obligation Bonds of 2019, Series A
General Obligation Bonds of 2019, Series B
General Obligation Bonds of 2020, Series A
General Obligation Bonds of 2021, Series A
General Obligation Refunding Bonds of 2019, Series 1 (Taxable)
General Obligation Refunding Bonds of 2020, Series 2 (Taxable)
General Obligation Refunding Bonds of 2020, Series 3 (Taxable)
General Obligation Refunding Bonds of 2021, Series 3 (Taxable)

**THIS INVITATION WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON APRIL 25, 2023,
UNLESS THE INVITATION IS EARLIER TERMINATED OR EXTENDED AS DESCRIBED HEREIN. See “TERMS OF THE TENDER OFFER” herein.**

This Invitation to Tender Bonds, dated April 11, 2023 (as it may be amended or supplemented, this “*Tender Offer*”), describes an invitation by the State of Wisconsin, acting through the State of Wisconsin Building Commission (the “*State*”), with the assistance of Morgan Stanley & Co. LLC and Loop Capital Markets LLC, as joint dealer managers (the “*Dealer Managers*”), to the beneficial owners (the “*Holders*” or “*Bondholders*”) of the State’s outstanding bonds of the series and certain maturities listed on pages (i) and (ii) through (iii) of this Tender Offer (collectively, the “*Bonds*”) to tender their Bonds for purchase at the offer prices to be set forth in the Pricing Notice, which is expected to be dated on or about April 18, 2023 (as it may be amended and supplemented, the “*Pricing Notice*” a form of which is attached hereto as APPENDIX B), plus accrued interest (“*Accrued Interest*”) on the Bonds tendered and accepted for purchase to but not including the Settlement Date (as hereinafter defined) based on the following:

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

Subject to the terms and conditions of this Tender Offer, the State may agree to purchase Bonds tendered for purchase on May 11, 2023, unless extended by the State (such date being the “*Settlement Date*”), assuming all conditions to this Tender Offer have then been satisfied or waived by the State; provided that such Bonds have been validly tendered for purchase by the Expiration Date set forth below. Bondholders whose Bonds are tendered and accepted for purchase will receive the Purchase Price and Accrued Interest on such Bonds on the Settlement Date. The sources of funds to purchase the Bonds validly tendered and accepted for purchase pursuant to this Tender Offer will be proceeds of the State’s General Obligation Refunding Bonds of 2023, Series 2 (the “*2023 Series 2 Bonds*”) and other available funds of the State. If issued, the 2023 Series 2 Bonds will be dated the Settlement Date and be issued in the manner, on the terms and with the security therefor described in the Preliminary Official Statement dated April 11, 2023 attached hereto as APPENDIX A (the “*Preliminary Official Statement*”), which Preliminary Official Statement also describes the State’s General Obligation Refunding Bonds of 2025, Series 1 (Forward Delivery) (the “*2025 Series 1 Bonds*”). The purchase of any Bonds tendered and accepted for purchase pursuant to this Tender Offer is contingent on the issuance of the 2023 Series 2 Bonds, and is also subject to certain other conditions, including, without limitation, the Financing Conditions (as defined herein). See “INTRODUCTION – General” and “TERMS OF THE TENDER OFFER – Conditions to Purchase” herein.

HOLDERS OF BONDS WHO DO NOT TENDER THEIR BONDS, AS WELL AS HOLDERS OF BONDS WHO TENDER BONDS FOR PURCHASE THAT THE STATE IN ITS DISCRETION DOES NOT ACCEPT FOR PURCHASE, WILL CONTINUE TO HOLD SUCH BONDS (THE “UNTENDERED BONDS”) AND SUCH UNTENDERED BONDS WILL REMAIN OUTSTANDING. THE STATE RESERVES THE RIGHT TO, AND MAY DECIDE TO, REFUND (ON AN ADVANCE OR CURRENT BASIS) SOME OR ALL OF THE UNTENDERED BONDS THROUGH THE ISSUANCE OF PUBLICLY-OFFERED OR PRIVATELY-PLACED TAXABLE OR TAX-EXEMPT OBLIGATIONS OF THE STATE. THE STATE EXPECTS TO REFUND CERTAIN OF THE UNTENDERED BONDS WITH PROCEEDS OF THE 2025 SERIES 1 BONDS. See “INTRODUCTION – Bonds Not Tendered for Purchase” and “ADDITIONAL CONSIDERATIONS” herein.

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

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

Key Dates and Times

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

Launch Date and Post Preliminary Official Statement	April 11, 2023
Pricing Notice	On or about April 18, 2023
Expiration Date	5:00 p.m. on April 25, 2023
Determination of Taxable Bonds Purchase Price	10:00 a.m. on April 26, 2023
Notice of Taxable Bonds Purchase Price	April 26, 2023
Acceptance Date	April 26, 2023
Settlement Date	May 11, 2023

The Dealer Managers
for this Tender Offer are:

Morgan Stanley & Co. LLC and Loop Capital Markets LLC

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

Globic Advisors Inc.

BONDS SUBJECT TO THE TENDER OFFER

TABLE 1 – TAXABLE BONDS

Series	CUSIP	Maturity Date	Interest Rate	Outstanding Principal Amount	Benchmark Treasury Security	Indicative Fixed Spreads†
2019 Series 1	97705MZM0	5/1/2027	2.141%	\$16,920,000	3.625% UST maturing 03/31/2028 CUSIP:91282CGT2	25.9
2019 Series 1	97705MNR2	5/1/2028	2.231%	7,415,000	3.625% UST maturing 03/31/2028 CUSIP:91282CGT2	34.1
2019 Series 1	97705MNS0	5/1/2029	2.281%	13,995,000	3.625% UST maturing 03/31/2030 CUSIP:91282CGS4	45.1
2019 Series 1	97705MNT8	5/1/2030	2.381%	13,000,000	3.625% UST maturing 03/31/2030 CUSIP:91282CGS4	43.0
2019 Series 1	97705MNU5	5/1/2031	2.451%	25,895,000	3.500% UST maturing 02/15/2033 CUSIP:91282CGM7	52.7
2019 Series 1	97705MNV3	5/1/2032	2.501%	62,875,000	3.500% UST maturing 02/15/2033 CUSIP:91282CGM7	58.3
2019 Series 1	97705MZN8	5/1/2033	2.531%	23,705,000	3.500% UST maturing 02/15/2033 CUSIP:91282CGM7	64.8
2020 Series 2	97705MQM0	5/1/2027	2.118%	7,005,000	3.625% UST maturing 03/31/2028 CUSIP:91282CGT2	25.9
2020 Series 2	97705MQN8	5/1/2028	2.217%	7,125,000	3.625% UST maturing 03/31/2028 CUSIP:91282CGT2	34.1
2020 Series 2	97705MQP3	5/1/2029	2.267%	45,740,000	3.625% UST maturing 03/31/2030 CUSIP:91282CGS4	45.1
2020 Series 2	97705MQQ1	5/1/2030	2.297%	19,090,000	3.625% UST maturing 03/31/2030 CUSIP:91282CGS4	42.9
2020 Series 2	97705MQR9	5/1/2031	2.347%	19,175,000	3.500% UST maturing 02/15/2033 CUSIP:91282CGM7	52.6
2020 Series 3	97705MRX5	5/1/2027	1.168%	1,175,000	3.625% UST maturing 03/31/2028 CUSIP:91282CGT2	24.8
2020 Series 3	97705MRY3	5/1/2028	1.436%	1,190,000	3.625% UST maturing 03/31/2028 CUSIP:91282CGT2	33.2
2020 Series 3	97705MRZ0	5/1/2029	1.536%	1,205,000	3.625% UST maturing 03/31/2030 CUSIP:91282CGS4	44.3
2020 Series 3	97705MSA4	5/1/2030	1.616%	1,225,000	3.625% UST maturing 03/31/2030 CUSIP:91282CGS4	41.9
2020 Series 3	97705MSB2	5/1/2031	1.736%	1,245,000	3.500% UST maturing 02/15/2033 CUSIP:91282CGM7	51.7
2020 Series 3	97705MSC0	5/1/2032	1.736%	25,540,000	3.500% UST maturing 02/15/2033 CUSIP:91282CGM7	57.2
2020 Series 3	97705MZQ1	5/1/2033	1.836%	21,895,000	3.500% UST maturing 02/15/2033 CUSIP:91282CGM7	63.5
2020 Series 3	97705MSE6	5/1/2034	1.936%	3,835,000	3.500% UST maturing 02/15/2033 CUSIP:91282CGM7	67.9
2020 Series 3	97705MSF3	5/1/2035	1.986%	3,965,000	3.500% UST maturing 02/15/2033 CUSIP:91282CGM7	72.6
2020 Series 3	97705MSG1	5/1/2038	2.385%	12,730,000	3.500% UST maturing 02/15/2033 CUSIP:91282CGM7	81.2
2020 Series 3	97705MSH9	5/1/2042	2.485%	19,105,000	3.625% UST maturing 02/15/2053 CUSIP:912810TN8	71.6
2021 Series 3	97705MUM5	5/1/2027	1.022%	435,000	3.625% UST maturing 03/31/2028 CUSIP:91282CGT2	24.6
2021 Series 3	97705MUN3	5/1/2028	1.122%	24,350,000	3.625% UST maturing 03/31/2028 CUSIP:91282CGT2	32.9

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

BONDS SUBJECT TO THE TENDER OFFER

TABLE 2 – TAX-EXEMPT BONDS

Series	CUSIP	Maturity Date	Interest Rate	Outstanding Principal Amount	Indicative Purchase Price as a Percentage of Par†
2015 Series 1	97705L8P5	5/1/2029	5.000%	\$27,445,000	105.834
2016 Series A	97705MCZ6	5/1/2028	5.000%	12,920,000	106.266
2016 Series A	97705MDA0	5/1/2029	5.000%	13,620,000	105.978
2016 Series A	97705MDE2	5/1/2033	5.000%	38,130,000	105.711
2016 Series A	97705MDF9	5/1/2034	5.000%	40,095,000	105.446
2016 Series A	97705MDG7	5/1/2035	5.000%	42,230,000	105.181
2016 Series A	97705MDH5	5/1/2036	5.000%	27,590,000	104.999
2016 Series 2	97705MEE1	11/1/2029	5.000%	43,200,000	109.372
2016 Series 2	97705MZK4	11/1/2030	5.000%	12,605,000	109.187
2017 Series A	97705MGA7	5/1/2029	5.000%	16,840,000	105.834
2017 Series A	97705MGB5	5/1/2030	5.000%	17,760,000	105.793
2017 Series A	97705MGC3	5/1/2031	5.000%	18,760,000	105.691
2017 Series A	97705MGE9	5/1/2033	5.000%	20,825,000	105.752
2017 Series A	97705MGF6	5/1/2034	5.000%	21,945,000	105.446
2017 Series A	97705MGG4	5/1/2035	5.000%	23,115,000	105.181
2017 Series A	97705MGH2	5/1/2036	5.000%	24,325,000	104.999
2017 Series A	97705MGJ8	5/1/2037	5.000%	28,085,000	104.816
2017 Series 1	97705MGU3	11/1/2030	5.000%	20,050,000	112.807
2017 Series 1	97705MGV1	11/1/2031	5.000%	50,915,000	112.763
2017 Series B	97705MKC8	5/1/2029	5.000%	9,245,000	105.834
2017 Series B	97705MKG9	5/1/2033	5.000%	11,345,000	105.711
2017 Series B	97705MKH7	5/1/2034	5.000%	11,945,000	105.446
2017 Series B	97705MKJ3	5/1/2035	5.000%	12,575,000	105.181
2017 Series B	97705MKK0	5/1/2036	5.000%	13,235,000	104.999
2017 Series B	97705MKL8	5/1/2037	5.000%	13,915,000	104.816
2017 Series B	97705MKM6	5/1/2038	5.000%	79,125,000	105.039
2017 Series 3	97705MKS3	11/1/2030	5.000%	56,255,000	112.807
2017 Series 3	97705MKT1	11/1/2031	5.000%	37,260,000	112.763
2017 Series 3	97705MKU8	11/1/2032	5.000%	39,295,000	112.634
2017 Series 3	97705MKV6	11/1/2033	5.000%	41,440,000	112.201
2018 Series A	97705MLP8	5/1/2033	4.000%	16,270,000	105.383
2018 Series A	97705MLQ6	5/1/2034	4.000%	17,140,000	105.275
2018 Series A	97705MLR4	5/1/2035	4.000%	18,110,000	105.051
2018 Series B	97705MME2	5/1/2031	5.000%	12,230,000	109.095
2018 Series B	97705MMF9	5/1/2032	5.000%	12,870,000	108.728
2018 Series B	97705MMG7	5/1/2033	5.000%	13,550,000	108.697
2018 Series B	97705MMH5	5/1/2034	5.000%	14,280,000	108.332
2018 Series B	97705MMJ1	5/1/2035	5.000%	15,040,000	107.967
2018 Series B	97705MMK8	5/1/2036	5.000%	15,830,000	107.695
2018 Series B	97705MML6	5/1/2037	5.000%	16,700,000	107.424
2018 Series B	97705MMM4	5/1/2038	5.000%	17,585,000	107.243
2018 Series B	97705MMN2	5/1/2039	5.000%	30,915,000	107.093

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

BONDS SUBJECT TO THE TENDER OFFER

TABLE 2 – TAX-EXEMPT BONDS

(CONTINUED)

Series	CUSIP	Maturity Date	Interest Rate	Outstanding Principal Amount	Indicative Purchase Price as a Percentage of Par†
2019 Series A	97705MMZ5	5/1/2030	5.000%	11,340,000	109.279
2019 Series A	97705MNA9	5/1/2031	5.000%	9,450,000	109.095
2019 Series A	97705MNB7	5/1/2032	5.000%	9,950,000	108.758
2019 Series A	97705MNC5	5/1/2033	5.000%	10,475,000	108.697
2019 Series A	97705MND3	5/1/2034	5.000%	11,020,000	108.332
2019 Series A	97705MNE1	5/1/2035	5.000%	11,600,000	107.967
2019 Series A	97705MNF8	5/1/2036	5.000%	12,195,000	107.695
2019 Series A	97705MNG6	5/1/2037	5.000%	12,825,000	107.424
2019 Series A	97705MNH4	5/1/2038	5.000%	13,480,000	107.243
2019 Series A	97705MNJ0	5/1/2039	5.000%	14,170,000	107.093
2019 Series A	97705MNK7	5/1/2040	5.000%	19,620,000	106.884
2019 Series B	97705MPL3	5/1/2032	4.000%	12,500,000	107.183
2019 Series B	97705MPM1	5/1/2033	4.000%	13,185,000	106.918
2019 Series B	97705MPN9	5/1/2034	5.000%	13,005,000	112.056
2019 Series B	97705MPP4	5/1/2035	5.000%	13,675,000	111.385
2019 Series B	97705MPQ2	5/1/2036	5.000%	14,385,000	110.71
2019 Series B	97705MPR0	5/1/2037	5.000%	15,140,000	110.217
2019 Series B	97705MPS8	5/1/2038	5.000%	15,930,000	109.933
2019 Series B	97705MPT6	5/1/2039	5.000%	16,750,000	109.653
2019 Series B	97705MPU3	5/1/2040	5.000%	17,825,000	109.329
2020 Series A	97705MRH0	5/1/2032	5.000%	9,870,000	115.501
2020 Series A	97705MRJ6	5/1/2033	5.000%	10,340,000	115.362
2020 Series A	97705MRK3	5/1/2034	5.000%	10,880,000	114.869
2020 Series A	97705MRL1	5/1/2035	5.000%	11,430,000	114.132
2020 Series A	97705MRM9	5/1/2036	5.000%	12,045,000	112.788
2020 Series A	97705MRN7	5/1/2037	5.000%	12,650,000	112.227
2020 Series A	97705MRP2	5/1/2038	5.000%	13,310,000	111.776
2021 Series A	97705MUZ6	5/1/2032	5.000%	9,800,000	115.501
2021 Series A	97705MVA0	5/1/2033	5.000%	10,300,000	115.362
2021 Series A	97705MVB8	5/1/2034	5.000%	10,820,000	114.869
2021 Series A	97705MVC6	5/1/2035	5.000%	11,365,000	114.132
2021 Series A	97705MVD4	5/1/2036	5.000%	11,945,000	112.788

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

PROVISIONS APPLICABLE TO THE TENDER OFFER

On or about April 18, 2023, the Pricing Notice will be made available: (i) at the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access website, currently located at <http://emma.msrb.org> (the “EMMA Website”), using the CUSIP numbers for the Bonds listed in the “Bonds Subject to Tender Offer” tables above; (ii) to The Depository Trust Company (“DTC”) and to the DTC participants holding the Bonds (as shown in a securities position report obtained by the Information Agent and Tender Agent); and (iii) by posting electronically on the website of the Information Agent at www.globic.com/wisconsin.

On or about April 26, 2023, the Notice of Taxable Bonds Purchase Price will be made available: (i) at the EMMA Website, using the CUSIP numbers for the Taxable Bonds listed in the “Bonds Subject to Tender Offer” table on page (i) above; (ii) to DTC and to the DTC participants holding the Taxable Bonds (as shown in a securities position report obtained by the Information Agent and Tender Agent); and (iii) by posting electronically on the website of the Information Agent at www.globic.com/wisconsin.

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

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

IMPORTANT INFORMATION

*This Tender Offer and other information with respect to this Tender Offer is and will be available from Morgan Stanley & Co. LLC and Loop Capital Markets LLC (the “**Dealer Managers**”) and Globic Advisors (the “**Information Agent**”) at <http://emma.msrb.org> and www.globic.com/wisconsin. Bondholders wishing to tender their Bonds for purchase pursuant to this Tender Offer should follow the procedures described in this Tender Offer. Pursuant to this Tender Offer, the State may accept offers to tender Bonds in accordance with the procedures set forth in this Tender Offer. The State reserves the right to cancel or modify this Tender Offer at any time on or prior to the Expiration Date, and reserves the right to make a future tender offer at prices different than the prices described herein and in the Pricing Notice, in its sole discretion. The State will have no obligation to accept tendered Bonds for purchase or to purchase Bonds tendered and accepted for purchase if cancellation or modification occurs, the State is unable to issue the 2023 Series 2 Bonds or any other conditions set forth herein are not satisfied. The State further reserves the right to accept nonconforming tenders or waive irregularities in any tender. The State also reserves the right in the future to refund (on an advance or current basis) any remaining portion of outstanding Bonds through the issuance of publicly offered or privately placed bonds (including the 2025 Series 1 Bonds). The consummation of this Tender Offer is subject to certain other conditions, including, without limitation, the Financing Conditions (as defined herein) that are anticipated to occur after the Expiration Date but prior to the Settlement Date.*

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

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

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

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

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

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

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

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INVITATION TO TENDER BONDS

made by

STATE OF WISCONSIN

to the Holders described herein of all or any portion of the maturities listed on pages (i) and (ii) through (iii) herein
of the

STATE OF WISCONSIN

General Obligation Refunding Bonds of 2015, Series 1
General Obligation Bonds of 2016, Series A
General Obligation Refunding Bonds of 2016, Series 2
General Obligation Bonds of 2017, Series A
General Obligation Refunding Bonds of 2017, Series 1
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General Obligation Bonds of 2018, Series B

General Obligation Bonds of 2019, Series A
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General Obligation Refunding Bonds of 2021, Series 3 (Taxable)

INTRODUCTION

General

This Invitation to Tender Bonds, dated April 11, 2023 (as it may be amended or supplemented, including the cover page and Appendices hereto, this “*Tender Offer*”), describes an invitation by the State of Wisconsin, acting through the State of Wisconsin Building Commission (the “*State*”), with the assistance of Morgan Stanley & Co. LLC and Loop Capital Markets LLC, as joint dealer managers (the “*Dealer Managers*”), to the beneficial owners (the “*Holder*” or “*Bondholder*”) of the State’s outstanding bonds of the series and certain maturities listed on pages (i) and (ii) through (iii) of this Tender Offer (collectively, the “*Bonds*”) to tender their Bonds for purchase at the purchase prices as follows:

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

all as set forth in the Pricing Notice, which is expected to be dated on or about April 18, 2023 (as it may be amended and supplemented, the “*Pricing Notice*” a form of which is attached hereto as APPENDIX B), *plus* accrued interest on the Bonds tendered and accepted for purchase to but not including the Settlement Date (“*Accrued Interest*”).

The Bonds were issued by the State pursuant to authorizing resolutions that the State of Wisconsin Building Commission adopted on June 11, 2014, January 14, 2015, December 9, 2015, May 25, 2016, August 10, 2016, February 15, 2017, August 9, 2017, February 14, 2018, August 8, 2018, May 9, 2019, February 20, 2019, October 16, 2019, February 27, 2020, May 20, 2020, and May 16, 2021 (collectively, the “*Resolutions*”). For certain information concerning the State and the General Obligation Refunding Bonds of 2023, Series 2 (the “*2023 Series 2 Bonds*”), see the Preliminary Official Statement dated April 11, 2023 attached hereto as APPENDIX A (the “*Preliminary Official Statement*”), which Preliminary Official Statement also describes the State’s General Obligation Refunding Bonds of 2025, Series 1 (Forward Delivery) (the “*2025 Series 1 Bonds*”).

The sources of funds to purchase the Bonds validly tendered and accepted for purchase pursuant to this Tender Offer will be proceeds of the 2023 Series 2 Bonds and other available funds of the State. The 2023 Series 2 Bonds are being issued to provide funds to purchase Bonds pursuant to this Tender Offer, and thereby to restructure the State’s debt service requirements. If issued, the 2023 Series 2 Bonds will be dated the Settlement Date and be issued in the manner, on the terms and with the security therefor all as set forth in the Preliminary Official Statement. See “Sources of Funds to Pay Purchase Price and Accrued Interest on Bonds Purchased” herein.

Notwithstanding any other provision of this Tender Offer, the State has no obligation to accept for purchase any tendered Bonds, and its obligation to pay for Bonds validly tendered (and not validly withdrawn) and accepted pursuant to this Tender Offer is subject to the satisfaction of or waiver of the following conditions on or prior to the Settlement Date: (a) the successful completion by the State of a debt financing transaction (the “*Proposed Financing*”), including the issuance of the 2023 Series 2 Bonds, the proceeds of which will be sufficient, together with other legally available funds, to (x) fund the purchase of all Bonds validly tendered and accepted for purchase pursuant to this Tender Offer and (y) pay all fees and expenses associated with the issuance of the 2023 Series 2 Bonds and this Tender Offer; (b) the State obtaining satisfactory and sufficient economic benefit as a result of the consummation of this Tender Offer when taken together with the Proposed Financing (collectively, the “*Financing Conditions*”), all on terms and conditions that are in the State’s best interest in its sole discretion; and (c) the other conditions set forth in “TERMS OF THE TENDER OFFER – Conditions to Purchase” herein. The State reserves the right, subject to applicable law, to amend or waive any of the conditions to this Tender Offer, in whole or in part, at any time prior to the Expiration Date (as defined herein) or from time to time, in its sole discretion. This Tender Offer may be withdrawn by the State at any time prior to the Expiration Date.

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

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

Subject to the terms and conditions of this Tender Offer, the State may purchase Bonds tendered for purchase, provided that such Bonds have been validly tendered by 5:00 p.m., New York City time, on April 25, 2023 (as extended from time to time in accordance with this Tender Offer, the “*Expiration Date*”) and accepted by the State on or before 5:00 p.m., New York City time, on April 26, 2023 (as extended from time to time in accordance with this Tender Offer, the “*Acceptance Date*”), assuming all conditions to this Tender Offer have then been satisfied or waived by the State on or prior to May 11, 2023, or such later date as extended by the State (such date being the “*Settlement Date*”). Subject to the conditions set forth herein, Bondholders whose Bonds are tendered for purchase in accordance with the provisions of this Tender Offer and are accepted by the State will receive payment of the Purchase Price of, plus Accrued Interest on, such Bonds on the Settlement Date.

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

HOLDERS OF BONDS WHO DO NOT TENDER THEIR BONDS, AS WELL AS HOLDERS OF BONDS WHO TENDER BONDS FOR PURCHASE THAT THE STATE IN ITS DISCRETION DOES NOT ACCEPT, IN WHOLE OR PART, FOR PURCHASE, WILL CONTINUE TO HOLD SUCH BONDS (THE “UNTENDERED BONDS”) AND SUCH UNTENDERED BONDS WILL REMAIN OUTSTANDING. THE STATE RESERVES THE RIGHT TO, AND MAY DECIDE TO, REFUND (ON AN ADVANCE OR CURRENT BASIS) SOME OR ALL OF THE UNTENDERED BONDS THROUGH THE ISSUANCE OF PUBLICLY-OFFERED OR PRIVATELY-PLACED TAXABLE OR TAX-EXEMPT OBLIGATIONS OF THE STATE. THE STATE EXPECTS TO REFUND CERTAIN OF THE UNTENDERED BONDS WITH PROCEEDS OF THE 2025 SERIES 1 BONDS. See “INTRODUCTION – Bonds Not Tendered for Purchase” and “ADDITIONAL CONSIDERATIONS” herein.

Consideration for the Tender Offer

On or about April 18, 2023, the State will publish the Pricing Notice in the form attached hereto as APPENDIX B, which Pricing Notice will set forth (i) either a confirmation of the indicative purchase prices shown on pages (ii)

and (iii) of this Tender Offer, or amendment to the prices to be paid by the State for each CUSIP for the Tax-Exempt Bonds tendered and accepted for purchase pursuant to this Tender Offer, and (ii) either a confirmation of the indicative fixed spreads shown on page (i) of this Tender Offer or amendment to the fixed spreads (the “*Fixed Spreads*”) for each CUSIP for the Taxable Bonds tendered and accepted for purchase pursuant to this Tender Offer.

The Fixed Spreads will represent the yield, expressed as an interest rate percentage above the yield on the indicated benchmark U.S. Treasury Securities (set forth on page (i) of this Tender Offer) (“*Benchmark Treasury Securities*”) to be used in establishing the Purchase Price for the Taxable Bonds. The Fixed Spreads will be added to the yield on a Benchmark Treasury Security for each CUSIP. The yields on the Benchmark Treasury Securities (the “*Treasury Security Yields*”) will be based on the bid-side price of the U.S. Benchmark Treasury as quoted on the Bloomberg Bond Trader FIT1 series of pages at 10:00 a.m., New York City time, on April 26, 2023. The Fixed Spreads will be added to the Treasury Security Yield to arrive at a yield (the “*Purchase Yield*”).

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

The State will publish a Notice of Taxable Bonds Purchase Price on April 26, 2023.

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

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

The sources of funds to purchase the Bonds validly tendered and accepted for purchase pursuant to this Tender Offer will be proceeds of the 2023 Series 2 Bonds and other available funds of the State. **THE PURCHASE OF ANY BONDS TENDERED AND ACCEPTED FOR PURCHASE PURSUANT TO THIS TENDER OFFER IS CONTINGENT ON THE ISSUANCE BY THE STATE OF THE 2023 SERIES 2 BONDS.** The 2023 Series 2 Bonds are described in the Preliminary Official Statement, attached hereto as APPENDIX A.

Brokerage Commissions and Solicitation Fees

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

Bonds Not Tendered for Purchase

Any Bonds that are not tendered for purchase, or that are tendered and are not accepted by the State, in response to this Tender Offer will continue to be outstanding, and payable and secured, pursuant to the terms of the respective Resolutions. THE STATE RESERVES THE RIGHT TO, AND MAY DECIDE TO, REFUND (ON AN ADVANCE OR CURRENT BASIS) SOME OR ALL OF THE BONDS NOT TENDERED FOR PURCHASE OR WHOSE TENDER HAS NOT BEEN ACCEPTED BY THE STATE PURSUANT TO THIS TENDER OFFER THROUGH THE ISSUANCE OF PUBLICLY-OFFERED OR PRIVATELY-PLACED TAXABLE OR TAX-EXEMPT OBLIGATIONS OF THE STATE. THE STATE EXPECTS TO REFUND CERTAIN OF THE UNTENDERED BONDS WITH PROCEEDS OF THE 2025 SERIES 1 BONDS. See “ADDITIONAL CONSIDERATIONS” herein.

Dealer Managers, Information Agent and Tender Agent

Morgan Stanley & Co. LLC and Loop Capital Markets LLC are the Dealer Managers for this Tender Offer. Investors with questions about this Tender Offer should contact the Dealer Managers or Globic Advisors, which serves as Information Agent and Tender Agent (the “*Information Agent*” or the “*Tender Agent*”) for this Tender Offer, at the addresses and telephone numbers set forth on the page preceding the Appendices appended to this Tender Offer. See “DEALER MANAGERS” and “INFORMATION AGENT AND TENDER AGENT” herein.

TERMS OF THE TENDER OFFER

Expiration Date

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

Offers Only Through the State’s ATOP Accounts

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

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

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

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

Information to Bondholders

The State may give information about this Tender Offer to the market and Bondholders by posting on the EMMA Website. Additionally, the State may give information about this Tender Offer to the Information

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

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

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

Any updates to this Tender Offer, including, without limitation any supplements to the Preliminary Official Statement, will be distributed through the EMMA Website and will additionally be made available to the Information Agent. The final Official Statement with respect to the 2023 Series 2 Bonds (which will set forth the maturities, principal amounts and interest rates on the 2023 Series 2 Bonds) will be posted to the EMMA Website subsequent to the Acceptance Date and prior to the Settlement Date.

Minimum Denominations and Consideration

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

The Pricing Notice will be made available by the State on or about April 18, 2023: (i) at the EMMA Website, using the CUSIP numbers for the Bonds listed on pages (i) and (ii) through (iii) in this Tender Offer; (ii) to DTC and to the DTC participants holding the Bonds (as shown in a securities position report obtained by the Information Agent and Tender Agent); and (iii) by posting electronically on the website of the Information Agent at www.globic.com/wisconsin.

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

The proceeds of the 2023 Series 2 Bonds, together with other legally available funds, will be used to pay the Purchase Price of, and Accrued Interest on, Bonds tendered by any Bondholder and purchased by the State. The 2023 Series 2 Bonds are described in the Preliminary Official Statement, attached hereto as APPENDIX A.

Accrued Interest

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

Provisions Applicable to All Tenders

Need for Advice. A Bondholder should ask its Financial Representative or financial advisor for help in determining: (a) whether to tender Bonds of a particular CUSIP number for purchase, and (b) the principal amount of

Bonds of such CUSIP number to be tendered. A Bondholder also should inquire as to whether its Financial Representative or financial advisor will charge a fee for submitting tenders if the State purchases the Bondholder's tendered Bonds. The State, the Dealer Managers, and the Information Agent and Tender Agent will not charge any Bondholder for tendering Bonds.

Need for Specificity of Tender. A tender cannot exceed the par amount of Bonds owned by the Bondholder and must include the following information: (1) the CUSIP number(s) of the Bond(s) being tendered, and (2) the principal amount of each CUSIP number being tendered (such principal amount must be stated in multiples of \$5,000 and if not so stated, for tenders of less than all of the holder's position in the Bonds, such principal amount will be reduced to the greatest multiple of \$5,000). Any Bondholder located outside of the United States should check with its broker to determine if there are any additional minimal increments, alternative settlement timing or other limitations.

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

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

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

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

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

Representations by Tendering Bondholders to the State

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Amendment or Withdrawals of Tenders Prior to an Expiration Date

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

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

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

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

ALL TENDERS OF BONDS SHALL BE IRREVOCABLE AT 5:00 P.M. UPON THE EXPIRATION DATE.

Acceptance of Tenders for Purchase

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

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

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

The State will have no obligation to accept tendered Bonds for purchase. The State will determine in its sole discretion which tendered Bonds, if any, it will purchase, and therefore has the right to purchase none, some or all of the Bonds offered, notwithstanding any other statements herein about the State’s current intentions for the amount of Bonds to be purchased. Bonds that will be purchased will be indicated by CUSIP. The State reserves the right to, and may decide to, refund, (on an advance or current basis), some or all of the untendered Bonds or the Bonds not purchased pursuant to this Tender Offer through the issuance of publicly-offered or privately-placed taxable or tax-exempt obligations of the State. The State expects to refund certain of the untendered Bonds with proceeds of the 2025 Series 1 Bonds. See also “– Bonds not Tendered for Purchase” and “ADDITIONAL CONSIDERATIONS” for certain potential impacts on any untendered Bonds.

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

Acceptance of Tenders Constitutes Irrevocable Agreement; Notice of Results

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

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

Settlement Date

Subject to satisfaction of all conditions to the State’s obligation to purchase Bonds tendered and accepted for purchase, as described herein, including, without limitation, the Financing Conditions, the Settlement Date is the day on which such Bonds will be purchased at the applicable Purchase Price(s), together with Accrued Interest thereon. The Settlement Date will occur following the Acceptance Date, subject to all conditions to this Tender Offer having been satisfied or waived by the State. The expected Settlement Date is May 11, 2023, unless extended by the State, assuming all conditions to this Tender Offer have been satisfied or waived by the State. Bondholders whose Bonds are purchased on the Settlement Date will receive Accrued Interest up to but not including the Settlement Date.

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

Subject to satisfaction of all conditions to the State’s obligation to purchase Bonds tendered and accepted for purchase pursuant to this Tender Offer, as described herein, payment by the State, or on the State’s behalf, will be made in immediately available funds on the Settlement Date by deposit with DTC of the aggregate Purchase Price and Accrued Interest on the Bonds accepted for purchase. The State expects that, in accordance with DTC’s standard procedures, DTC will transmit the aggregate Purchase Price (plus Accrued Interest) in immediately available funds to each of its participant financial institutions holding the Bonds accepted for purchase on behalf of Bondholders for

delivery to the Bondholders. **The State, the Dealer Managers, and the Information Agent and Tender Agent have no responsibility or liability for the distribution of the Purchase Prices plus Accrued Interest by DTC to the Bondholders.**

Purchase and Accrued Interest Funds

The sources of funds to purchase the Bonds validly tendered and accepted for purchase pursuant to this Tender Offer will be proceeds of the 2023 Series 2 Bonds and other available funds of the State. The purchase of any Bonds tendered pursuant to this Tender Offer is contingent on the issuance by the State of the 2023 Series 2 Bonds, as well as certain other conditions which must be satisfied or waived on or prior to the Settlement Date. See “INTRODUCTION – General” and “– Conditions to Purchase” herein for more information on the conditions precedent to this Tender Offer.

Conditions to Purchase

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

- Litigation or another proceeding is pending or threatened which the State reasonably believes may, directly or indirectly, have an adverse impact on this Tender Offer or the expected benefits of this Tender Offer to the State or the Bondholders;
- A war, national emergency, banking moratorium, suspension of payments by banks, a general suspension of trading by the New York Stock Exchange or a limitation of prices on the New York Stock Exchange exists and the State reasonably believes this fact makes it inadvisable to proceed with the purchase of Bonds;
- A material change in the affairs of the State has occurred which the State reasonably believes makes it inadvisable to proceed with the purchase of Bonds;
- A material change in the net economics of the transaction has occurred due to a material change in market conditions which the State reasonably believes makes it inadvisable to proceed with the purchase of Bonds; or
- For any reason, the 2023 Series 2 Bonds are not issued.

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

HOLDERS OF BONDS WHO DO NOT TENDER THEIR BONDS, AS WELL AS HOLDERS OF BONDS WHO TENDER BONDS FOR PURCHASE THAT THE STATE IN ITS DISCRETION DOES NOT ACCEPT, IN WHOLE OR PART, FOR PURCHASE, WILL CONTINUE TO HOLD SUCH BONDS AND SUCH BONDS WILL REMAIN OUTSTANDING. THE STATE RESERVES THE RIGHT TO, AND MAY DECIDE TO, REFUND (ON AN ADVANCE OR CURRENT BASIS) SOME OR ALL OF THE UNTENDERED BONDS THROUGH THE ISSUANCE OF PUBLICLY-OFFERED OR PRIVATELY-PLACED TAXABLE OR TAX-EXEMPT OBLIGATIONS OF THE STATE. THE STATE EXPECTS TO

REFUND CERTAIN OF THE UNTENDERED BONDS WITH PROCEEDS OF THE 2025 SERIES 1 BONDS.
See “INTRODUCTION – Bonds Not Tendered for Purchase” and “ADDITIONAL CONSIDERATIONS” herein.

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

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

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

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

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

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

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

AVAILABLE INFORMATION

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

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

ADDITIONAL CONSIDERATIONS

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

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

- In the event that the 2023 Series 2 Bonds are not issued and sold, tendered Bonds accepted for purchase are not required to be purchased by the State and in such event, Bondholders will continue to hold their respective tendered Bonds.
- The State expects, but is not obligated, to refund certain of the Tax-Exempt Bonds that are callable at par on May 1, 2025 and that are not tendered pursuant to this Tender Offer, with the proceeds of the 2025 Series 1 Bonds.
- The State also may, but is not obligated to, defease certain of the Bonds, which are identified in the tables on pages (i) and (ii) through (iii), to their maturity dates (in the cases of Tax-Exempt Bonds not subject to redemption prior to maturity and Taxable Bonds) or to their first par call dates (in the case of Tax-Exempt Bonds subject to redemption prior to maturity), to the extent it does not purchase such Bonds pursuant to this Tender Offer. Any such defeasance will be effected by purchasing an escrow consisting of direct obligations of or obligations guaranteed by the United States of America or other obligations, the payment of which is provided for by an irrevocable escrow deposit invested in direct obligations of the United States of America to provide for payment of principal of and interest on the applicable Bonds. The defeased Bonds will continue to be legal obligations of the State. Any such defeasance may result in certain ratings on the defeased Bonds being upgraded. There can be no assurance as to whether a particular Bondholder's Bonds will be among the Bonds defeased.
- Even if the State does not purchase any tendered Bonds, the State shall have the right now or in the future to refund all or any portion of the tendered Bonds (other than any Bonds defeased as described above) or may in the future invite Bondholders to tender such tendered Bonds for purchase by the State.
- The purchase or redemption by the State of Bonds of any CUSIP number may have certain potential adverse effects on holders of Bonds with such CUSIP not purchased pursuant to this Tender Offer, including, but not limited to, the principal amount of the Bonds of such CUSIP number available to trade publicly may be reduced, which could adversely affect the liquidity and market value of any untendered Bonds of that CUSIP number that remain outstanding.

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

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

Timeliness of Offers

This Tender Offer will expire at 5:00 p.m., New York City time, on the Expiration Date (currently scheduled for April 25, 2023), unless extended or terminated. Bonds tendered for purchase as described in this Tender Offer after 5:00 p.m., New York City time, on the Expiration Date will not be accepted for tender, except in the State's sole discretion.

Acceptance Date

The State will accept tenders of Bonds, if at all, on or before 5:00 p.m., New York City time, on April 26, 2023, unless extended as set forth in this Tender Offer (the “**Acceptance Date**”). Notification of acceptance of Bonds tendered pursuant to this Tender Offer will be given on or before 5:00 p.m., New York City time on the Acceptance Date, unless an Expiration Date is extended or a Tender Offer is terminated. See “TERMS OF THE TENDER OFFER – Acceptance of Tenders for Purchase” herein.

Priority of Allocations of 2023 Series 2 Bonds

The State has advised Morgan Stanley (as defined herein), as representative to the underwriters (the “**Representative**”) for the 2023 Series 2 Bonds, that any holder of the Bonds who tenders Bonds pursuant to this Tender Offer and who submits an order to purchase any 2023 Series 2 Bonds may, subject to certain limitations, have a preference of allocation of the 2023 Series 2 Bonds up to the principal amount of the Bonds that such bondholder is tendering. The Representative has the discretion to accept orders outside of the State’s advised priorities if it determines that it is in the best interests of the underwriters of the 2023 Series 2 Bonds, as provided in the rules of the Municipal Securities Rulemaking Board. The State also has the discretion to alter its advised priorities.

SUMMARY OF CERTAIN FEDERAL INCOME TAX CONSEQUENCES

The following is a general summary of the U.S. federal income tax consequences for Bondholders that respond to this Tender Offer and have their offer to tender their Bonds accepted by the State. The discussion is based on the Internal Revenue Code of 1986, as amended (the “**Code**”), the Treasury Regulations promulgated thereunder, and relevant rulings and decisions now in effect, all of which are subject to change or differing interpretations. No assurances can be given that future changes in U.S. federal income tax laws will not alter the conclusions reached herein. The discussion below does not purport to deal with U.S. federal income tax consequences applicable to all categories of investors. Further, this summary does not discuss all aspects of U.S. federal income taxation that may be relevant to a particular investor in the Bonds in light of the investor’s particular circumstances or to certain types of investors subject to special treatment under U.S. federal income tax laws (including individuals who are neither citizens nor residents of the United States; foreign corporations, trusts and estates, in each case, as defined for U.S. federal income tax purposes; insurance companies; tax-exempt organizations; financial institutions; brokers-dealers; partnerships and other entities classified as partnerships for U.S. federal income tax purposes; and persons who have hedged the risk of owning the Bonds). Tendering Bondholders should note that no rulings have been or will be sought from the Internal Revenue Service (the “**IRS**”), and no assurance can be given that the IRS will not take contrary positions with respect to any of the U.S. federal income tax consequences discussed below. This U.S. federal income tax discussion is included for general information only and should not be construed as a tax opinion nor tax advice by the State or any of its advisors or agents to the Bondholders, and Bondholders therefore should not rely upon such discussion.

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

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

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

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

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

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

DEALER MANAGERS

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

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

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

In addition to their roles as Dealer Managers for the Bonds, Morgan Stanley is also serving as Representative to the underwriters for the 2023 Series 2 Bonds, and Loop is a member of the underwriting group, as described in the Preliminary Official Statement.

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

INFORMATION AGENT AND TENDER AGENT

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

APPROVAL OF LEGAL PROCEEDINGS

Certain legal matters and the issuance of the 2023 Series 2 Bonds will be passed upon by Foley & Lardner LLP, as Bond Counsel to the State. A copy of the form of opinion of Bond Counsel which will be delivered with the 2023 Series 2 Bonds is set forth in APPENDIX C of the Preliminary Official Statement attached hereto as APPENDIX A. Certain legal matters with respect to the 2023 Series 2 Bonds will be passed on for the State by Joshua L. Kaul, Attorney General of the State, and for the underwriters of the 2023 Series 2 Bonds and Dealer Managers, by their counsel, Ice Miller LLP.

MISCELLANEOUS

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

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

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

The Dealer Managers for this Tender Offer are:

Morgan Stanley & Co. LLC
233 South Wacker Drive, 34th Floor
Chicago, Illinois 60606
Tel: (312) 706-4266
Attn: William Mack, Executive Director
Email: william.mack@morganstanley.com

Loop Capital Markets LLC
111 West Jackson Blvd, Suite 1901
Chicago, Illinois 60604
Tel: (312) 913-2229
Attn: Stratford Shields, Managing Director
Email: stratford.shields@loopcapital.com

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

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

APPENDIX A

Preliminary Official Statement

New Issue

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

\$450,000,000*

STATE OF WISCONSIN

\$ * GENERAL OBLIGATION REFUNDING BONDS OF 2023, SERIES 2
\$ * GENERAL OBLIGATION REFUNDING BONDS OF 2025, SERIES 1
(FORWARD DELIVERY)

Dated: Date of Delivery

Due: May 1, as shown on the inside front cover

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

Tax Status Interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, interest on the Bonds is taken into account in determining "adjusted financial statement income" for purposes of computing the federal alternative minimum tax imposed on certain corporations for taxable years beginning after December 31, 2022—*See page 13.*

Interest on the Bonds is not exempt from current State of Wisconsin income or franchise taxes—*See page 15.*

Redemption* The 2023 Series 2 Bonds maturing on or after May 1, are callable at par on May 1, or any date thereafter—*See page 4.*
 The 2025 Series 1 Bonds maturing on or after May 1, are callable at par on May 1, or any date thereafter—*See page 4.*
 The Series Bonds maturing on May 1, are subject to mandatory sinking fund redemption at par—*See page 4.*

Security General obligations of the State of Wisconsin—*See page 3.*

Purpose Bond proceeds are being used for the current refunding (including by purchasing Tendered Bonds pursuant to the Invitation) of general obligation bonds previously issued by the State of Wisconsin for general governmental purposes—*See page 2.*

Interest Payment Dates May 1 and November 1

First Interest Payment Date November 1, 2023 for the 2023 Series 2 Bonds and November 1, 2025 for the 2025 Series 1 Bonds

Delivery On or about , 2023 for the 2023 Series 2 Bonds

Forward Delivery On or about , 2025 for the 2025 Series 1 Bonds. The forward delivery date for the 2025 Series 1 Bonds and certain conditions to the Underwriters' obligation to purchase the 2025 Series 1 Bonds on the settlement date give rise to certain risks to investors—*See page 7.*

The Representative will require investors purchasing the 2025 Series 1 Bonds to execute and deliver a Delayed Delivery Contract, the form of which is attached hereto as **APPENDIX E.**

Denominations Multiples of \$5,000

Bond Counsel Foley & Lardner LLP

Registrar/Paying Agent Secretary of Administration

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

Book-Entry System The Depository Trust Company—*See page 7.*

2022 Annual Report This Official Statement incorporates by reference, and makes updates and additions to, **Parts I, II, and III** of the State of Wisconsin Continuing Disclosure Annual Report, dated December 23, 2022.

The prices and yields listed on the **inside front cover** were determined on , 2023 at negotiated sale.

Morgan Stanley

Academy Securities

, 2023

Stifel

Loop Capital Markets

Wells Fargo Securities

*Preliminary; subject to change.

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

CUSIP NUMBERS, MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, AND OTHER INFORMATION

\$450,000,000*

STATE OF WISCONSIN

\$ * GENERAL OBLIGATION REFUNDING BONDS OF 2023, SERIES 2

CUSIP	Due (May 1)*	Principal Amount*	Interest Rate	Yield at Issuance	Price at Issuance	First Optional Call Date (May 1)*	Call Price*
	2027						
	2028						
	2029						
	2030						
	2031						
	2032						
	2033						
	2034						
	2035						
	2036						
	2037						
	2038						
	2039						
	2040						
	2041						
	2042						

\$ * GENERAL OBLIGATION REFUNDING BONDS OF 2025, SERIES 1 (FORWARD DELIVERY)

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

*Preliminary; subject to change.

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

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

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

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

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

In connection with the offering of the Bonds, the Underwriters may over-allot or effect transactions which stabilize or maintain the market prices of the Bonds at levels above those which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time. The Underwriters may offer and sell the Bonds to certain dealers and dealer banks and banks acting as agents at prices lower than the public offering prices stated on the **inside front cover** hereof and such public offering prices may be changed from time to time by the Underwriters.

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**STATE OFFICIALS PARTICIPATING IN THE ISSUANCE
AND SALE OF THE BONDS**

BUILDING COMMISSION MEMBERS*

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

OTHER PARTICIPANTS

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

DEBT MANAGEMENT AND DISCLOSURE

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

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

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

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

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

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

SUMMARY DESCRIPTION OF BONDS

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

Principal Amounts and Descriptions:	\$ * State of Wisconsin General Obligation Refunding Bonds of 2023, Series 2 \$ * State of Wisconsin General Obligation Refunding Bonds of 2025, Series 1 (Forward Delivery)
Denominations:	Multiples of \$5,000
Date of Issue:	Date of delivery On or about , 2023 for the 2023 Series 2 Bonds and on or about , 2025 for the 2025 Series 1 Bonds
Forward Delivery:	The forward delivery date and certain conditions to the Underwriters' obligation to purchase the 2025 Series 1 Bonds on the settlement date give rise to certain risks to investors— <i>See page 7.</i> The Representative will require investors purchasing the 2025 Series 1 Bonds to execute and deliver a Delayed Delivery Contract, the form of which is attached hereto as APPENDIX E.
Record Date:	April 15 and October 15
Interest Payments:	May 1 and November 1, beginning November 1, 2023 for the 2023 Series 2 Bonds and November 1, 2025 for the 2025 Series 1 Bonds
Maturities:	2023 Series 2 Bonds; May 1, 2027-42* 2025 Series 1 Bonds; May 1, 2028-38*— <i>See inside front cover.</i>
Redemption*:	<i>Optional</i> —The 2023 Series 2 Bonds maturing on or after May 1, are callable at par on May 1, or any date thereafter— <i>See page 4.</i> The 2025 Series 1 Bonds maturing on or after May 1, are callable at par on May 1, or any date thereafter— <i>See page 4.</i> <i>Sinking Fund</i> —The Bonds maturing on May 1, are subject to mandatory sinking fund redemption at par— <i>See page 4.</i>
Form:	Book-entry-only— <i>See page 5.</i>
Paying Agent:	All payments of principal of, and interest on, the Bonds will be paid by the Secretary of Administration. All payments will be made to The Depository Trust Company, which will distribute payments to DTC Participants as described herein.
Security:	The Bonds are general obligations of the State of Wisconsin. As of April 1, 2023, general obligations of the State were outstanding in the principal amount of \$7,009,636,000.
Additional General Obligation Debt:	The State may issue additional general obligation debt— <i>See page 11.</i>
Authority for Issuance:	The Bonds are authorized by Article VIII of the Wisconsin Constitution and Chapters 18 and 20 of the Wisconsin Statutes.
Purpose:	Bond proceeds are being used for the current refunding (including by purchasing Tendered Bonds pursuant to the Invitation) of general obligation bonds previously issued by the State for general governmental purposes— <i>See page 2.</i>
Legality of Investment:	State law provides that the Bonds are legal investments for all banks, trust companies, bankers, savings banks and institutions, building and loan associations, savings and loan associations, credit unions, investment companies, and other persons or entities carrying on a banking business; for all personal representatives, guardians, trustees, and other fiduciaries; and for the State and all public officers, municipal corporations, political subdivisions, and public bodies.

Tax Status:	Interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, interest on the Bonds is taken into account in determining “adjusted financial statement income” for purposes of computing the federal alternative minimum tax imposed on certain corporations for taxable years beginning after December 31, 2022— <i>See page 13.</i> Interest on the Bonds is not exempt from current State of Wisconsin income or franchise taxes— <i>See page 15.</i>
Legal Opinion:	Validity and tax opinions to be provided by Foley & Lardner LLP— <i>See page C-1.</i>
2022 Annual Report:	This Official Statement incorporates by reference, and makes updates and additions to, Parts I, II, and III of the State of Wisconsin Continuing Disclosure Annual Report, dated December 23, 2022.

*Preliminary; subject to change.

OFFICIAL STATEMENT

\$450,000,000*

STATE OF WISCONSIN

**\$ * GENERAL OBLIGATION REFUNDING BONDS OF
2023, SERIES 2**

**\$ * GENERAL OBLIGATION REFUNDING BONDS OF
2025, SERIES 1 (FORWARD DELIVERY)**

INTRODUCTION

This Official Statement provides information about the \$ * General Obligation Refunding Bonds of 2023, Series 2 (**2023 Series 2 Bonds**) and * General Obligation Refunding Bonds of 2025, Series 1 (Forward Delivery) (**2025 Series 1 Bonds**) (collectively, the 2023 Series 2 Bonds and the 2025 Series 1 Bonds are called the **Bonds**), which are being issued by the State of Wisconsin (**State**). This Official Statement incorporates by reference, and makes updates and additions to, **Parts I, II, and III** of the State of Wisconsin Continuing Disclosure Annual Report, dated December 23, 2022 (**2022 Annual Report**).

The Bonds are authorized under the Wisconsin Constitution and the Wisconsin Statutes, and are being issued pursuant to an authorizing resolution that the State of Wisconsin Building Commission (**Commission**) adopted on May 4, 2022.

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

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

THE STATE

The State is located in the Midwest among the northernmost tier of states. The State ranks 20th among the states in population and 25th in land area. Wisconsin attained statehood in 1848, its capital is Madison, and its largest city is Milwaukee.

Information concerning the State, its financial condition, and its general obligation debt is included as **APPENDIX A**, which incorporates by reference **Parts II and III** of the 2022 Annual Report. **APPENDIX A** also makes updates and additions to Parts II and III of the 2022 Annual Report, including:

- Information about the executive budget for the 2023-25 biennium.
- Estimated General Fund condition statement for the 2022-23 fiscal year and estimated General Fund tax collections for the 2022-23, 2023-24, and 2024-25 fiscal years, as included in a report provided by the Legislative Fiscal Bureau (**LFB**) on January 25, 2023 (**January 2023 LFB Report**).
- General Fund information for the 2022-23 fiscal year through February 28, 2023, which is presented on either a cash basis or an agency-recorded basis, and projected General Fund information for the remainder of the 2022-23 fiscal year, which is presented on a cash basis.

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

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

PLAN OF REFUNDING

General

The Commission is empowered by law to issue refunding bonds. The Bonds are being issued for the purposes and within the amounts authorized by the Wisconsin State Legislature (**Legislature**). See **APPENDIX B**.

The 2023 Series 2 Bonds are being issued for the current refunding (by purchasing Tendered Bonds as described below) of certain maturities, or portions of maturities, of general obligation bonds previously issued by the State for general governmental purposes (**Purchased Bonds**) and to pay for costs of issuance.

The 2025 Series 1 Bonds are being issued for the current refunding on May 1, 2025 of certain maturities, or portions of maturities, of general obligation bonds previously issued by the State for general governmental purposes that are not tendered and purchased as described below (**Remaining Refunded Bonds**) (collectively, the Purchased Bonds and the Remaining Refunded Bonds are called the **Refunded Bonds**) and to pay for costs of issuance.

The maturities, or portions of maturities, associated with the refunding are currently outstanding in the total principal amount of \$. **APPENDIX D** identifies and provides information about the Refunded Bonds.

Invitation to Tender Bonds

On April 11, 2023, the State released an Invitation to Offers to Tender Bonds (**Invitation**), inviting holders of certain maturities of the State's outstanding general obligation bonds (**Invited Bonds**) to tender Invited Bonds for purchase by the State on the terms and conditions set forth in the Invitation. The purpose of the Invitation is to give the State the opportunity to retire the Invited Bonds on the date of issuance of the 2023 Series 2 Bonds (**Settlement Date**).

Pursuant to the Invitation, the owners of the Invited Bonds may tender their Invited Bonds (**Tendered Bonds**) for cash and, subject to the conditions set forth in the Invitation, the State expects to purchase some or all of the Tendered Bonds at the purchase prices and on the other terms set forth in the Invitation, as supplemented or amended via pricing notice or otherwise. The Purchased Bonds will be canceled on the Settlement Date and will no longer be deemed outstanding. Funds to pay the purchase price of the Purchased Bonds, and to pay the costs of the Invitation, are expected to be provided from the proceeds of the 2023 Series 2 Bonds, and from other funds of the State.

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

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

Current Refunding

Upon delivery of each series of the Bonds, a portion of the proceeds of those Bonds will be deposited into the State's Bond Security and Redemption Fund. Those proceeds of the 2023 Series 2 Bonds will be used to pay the purchase price of the Purchased Bonds on the Settlement Date, and those proceeds of the 2025 Series 1 Bonds will be used to pay the principal or redemption price of, and interest on, the Remaining Refunded Bonds on May 1, 2025.

Use of Proceeds and Pledge

The portions of the proceeds of the Bonds deposited into the Bond Security and Redemption Fund may be expended only for the payment of the principal or redemption price of, and interest on, or the purchase price of, the corresponding Refunded Bonds. However, notwithstanding the amounts in the Bond Security and Redemption Fund, there is irrevocably appropriated, as a first charge on all revenues of the State, a sum sufficient for the payment of the Refunded Bonds. Each year, for the purpose of determining the constitutional limit on public debt, the amounts held in the Bond Security and Redemption Fund will be subtracted from the amount of outstanding aggregate public debt of the State.

THE BONDS

General

The **inside front cover** of this Official Statement sets forth the maturity dates, principal amounts, interest rates, and other information for the Bonds. The Bonds are being issued in book-entry-only form, so the registered owner will be a securities depository or its nominee. The Commission has appointed The Depository Trust Company, New York, New York (**DTC**), as the securities depository for the Bonds. See "**THE BONDS; Book-Entry-Only Form**".

The Bonds will be dated their respective dates of delivery (expected to be _____, 2023 for the 2023 Series 1 Bonds and _____, 2025 for the 2025 Series 1 Bonds) and will bear interest from those respective dates, payable on May 1 and November 1 of each year, beginning on November 1, 2023 for the 2023 Series 2 Bonds and November 1, 2025 for the 2025 Series 1 Bonds.

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

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

Security

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

Redemption Provisions*

Optional Redemption at Par

The 2023 Series 2 Bonds maturing on or after May 1, may be redeemed on May 1, , or any date thereafter, in whole or in part in multiples of \$5,000, at a redemption price equal to par (100% of the principal amount to be redeemed), plus accrued interest to the redemption date.

The 2025 Series 1 Bonds maturing on or after May 1, may be redeemed on May 1, , or any date thereafter, in whole or in part in multiples of \$5,000, at a redemption price equal to par (100% of the principal amount to be redeemed), plus accrued interest to the redemption date.

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

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

Mandatory Sinking Fund Redemption

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

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

^(a) Stated Maturity

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

Selection of Bonds

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

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

Notice of Redemption

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

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

*Preliminary; subject to change.

Registration and Payment of Bonds

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

Ratings

The following ratings have been assigned to the Bonds:

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

Any explanation of what a rating means may only be obtained from the rating organization giving the rating. A securities rating is not a recommendation to buy, sell, or hold securities and may be subject to revision or withdrawal at any time. Any downgrade or withdrawal of a rating may adversely affect the market price of the Bonds. The State may elect not to continue requesting ratings on the Bonds from any particular rating organization or may elect to request ratings on the Bonds from a different rating organization.

Sources and Uses of Funds

The proceeds from the sale of the Bonds are expected to be used as follows:

Sources	2023 Series 2 <u>Bonds</u>	2025 Series 1 <u>Bonds</u>	<u>Total</u>
Principal Amount	\$	\$	\$
Net Original Issue Premium/(Discount)			
TOTAL SOURCES	\$	\$	\$
Uses			
Deposit to Bond Security and Redemption Fund	\$	\$	\$
Underwriters’ Discount			
Costs of Issuance			
TOTAL USES	\$	\$	\$

Book-Entry-Only Form

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

Bond certificates are to be issued and registered in the name of a nominee of DTC, which acts as a securities depository for the Bonds. Ownership of the Bonds by the purchasers is shown in the records of brokers and other organizations participating in the DTC book-entry system (**DTC Participants**). All transfers of ownership in the Bonds must be made, directly or indirectly, through DTC Participants.

Payment

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

Notices and Voting Rights

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

Redemption or Purchase

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

Discontinued Service

In the event that participation in DTC's book-entry system were to be discontinued without a successor securities depository being appointed, bond certificates would be executed and delivered to DTC Participants.

Further Information

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

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

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

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

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

UNDERWRITING

General

The Bonds are being purchased by the **Underwriters** listed on the **front cover**, for which Morgan Stanley & Co. LLC is acting as the representative (**Representative**).

- The Underwriters have agreed, subject to certain conditions, to purchase the 2023 Series 2 Bonds from the State at an aggregate purchase price of \$ _____, reflecting a net original issue premium/discount of \$ _____ and an Underwriters' discount of \$ _____. The Underwriters' obligations are subject to certain conditions, and they will be obligated to purchase all the 2023 Series 2 Bonds if any 2023 Series 2 Bonds are purchased.
- The Underwriters have agreed, subject to certain conditions, to purchase the 2025 Series 1 Bonds from the State at an aggregate purchase price of \$ _____, reflecting a net original issue premium/discount of \$ _____ and an Underwriters' discount of \$ _____. The Underwriters' obligations are subject to

certain conditions, and they will be obligated to purchase all the 2025 Series 1 Bonds if any 2025 Series 1 Bonds are purchased.

The Purchased Bonds are being tendered under the terms of the Invitation through Morgan Stanley & Co. LLC and Loop Capital Markets LLC, as Dealer Managers (**Dealer Managers**). For their services as Dealer Managers, the Dealer Managers will be compensated (**Dealer Manager Fee**) in an amount equal to a percentage of the aggregate principal amount of the Purchased Bonds. The Dealer Manager Fee is expected to be paid from proceeds of the 2023 Series 2 Bonds.

The Underwriters have agreed to reoffer the Bonds at the public offering prices set forth on the **inside front cover**. The Bonds may be offered and sold to certain dealers (including dealers depositing the Bonds into investment trusts) at prices lower than such public offering prices, and such prices may be changed, from time to time, by the Underwriters.

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

Certain legal matters will be passed upon for the Underwriters by their counsel, Ice Miller LLP.

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

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

Priority of Allocations of the 2023 Series 2 Bonds

The State has advised the Underwriters that any holder of the Invited Bonds who tenders any Invited Bonds in the Tender Offer and who submits an order to purchase 2023 Series 2 Bonds may, subject to the following sentence, have a preference of allocation of the 2023 Series 2 Bonds up to the principal amount of such holder's Tendered Bonds. The Representative has the discretion to accept orders outside of the State's advised priorities if it determines that it is in the best interests of the Underwriters of the 2023 Series 2 Bonds, as provided in the rules of the MSRB. The State also has the discretion to alter its advised priorities.

Certain Forward Delivery Considerations, Acknowledgments, and Risks

The State and the Underwriters, acting through the Representative, have entered into a forward delivery bond purchase agreement for the 2025 Series 1 Bonds (**Forward Delivery Purchase Agreement**) dated the date of this Official Statement. Subject to the terms of the Forward Delivery Purchase Agreement, the State expects to issue and deliver the 2025 Series 1 Bonds on _____, 2025, or on such later date (no later than April 30,

2025) as is mutually agreed upon by the State and the Representative (**Forward Settlement Date**). The following is a description of certain provisions of the Forward Delivery Purchase Agreement. This description is not to be considered a full statement of the terms of the Forward Delivery Purchase Agreement and accordingly is qualified by reference thereto and is subject to the full text thereof.

The obligation of the Underwriters to purchase the 2025 Series 1 Bonds from the State is subject to the satisfaction of certain conditions as of _____, 2023 (**Preliminary Closing Date**), and on the Forward Settlement Date.

Until such time as the 2025 Series 1 Bonds are issued and delivered by the State and purchased by the Underwriters on the Forward Settlement Date, certain information contained in this Official Statement may change in a material respect. The State agrees in the Forward Delivery Purchase Agreement to update the Official Statement, if necessary in the judgment of the Representative or the State, so that the Official Statement as amended or supplemented does not contain any untrue statement of a material fact or omit to state a material fact that is necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

Additionally, the State agrees in the Forward Delivery Purchase Agreement to prepare an updated Official Statement, dated a date not more than twenty-five nor less than ten days prior to the Forward Settlement Date, which, as of such date, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (**Updated Official Statement**). References to the Official Statement in the preceding paragraphs as of a specific date shall mean (i) during the period from the date of this Official Statement to but not including the date of delivery of the Updated Official Statement to the Representative, this Official Statement, and (ii) from and after the date of delivery of the Updated Official Statement, the Updated Official Statement, in each case as amended or supplemented.

Conditions of Settlement

The issuance and purchase of the 2025 Series 1 Bonds on the Forward Settlement Date are subject to the satisfaction of certain conditions set forth in the Forward Delivery Purchase Agreement, including, among other things, the delivery to the Representative of certain documents and legal opinions on and as of the Preliminary Closing Date and certain additional documents and legal opinions, and the satisfaction of other conditions, on and as of the Forward Settlement Date, including the delivery to the Representative of: (i) the opinion of Bond Counsel relating to the 2025 Series 1 Bonds, substantially in the form and to the effect set forth in **APPENDIX C**, (ii) the Updated Official Statement, and (iii) written evidence satisfactory to the Representative that Kroll Bond Rating Agency, LLC, Moody's Investors Service, Inc., and S&P Global Ratings continue to rate (at any level) the 2025 Series 1 Bonds. Changes or proposed changes in federal or state laws, court decisions, regulations or proposed regulations or rulings of administrative agencies occurring or in effect prior to the Forward Settlement Date or the failure by the State to provide closing documents of the type customarily required in connection with the issuance of state and local government tax-exempt bonds could prevent those conditions from being satisfied. None of the 2025 Series 1 Bonds will be issued unless all of the 2025 Series 1 Bonds are issued and delivered on the Forward Settlement Date.

Termination of Forward Delivery Purchase Agreement

The Representative has the right, between the date of the Forward Delivery Purchase Agreement and the Forward Settlement Date, by written notice to the State, to cancel the Underwriters' obligation to purchase the 2025 Series 1 Bonds if, in the Representative's reasonable judgment, any of the following events occur during that time:

- There shall have been a Change in Law. A "Change in Law" means (i) any change in or addition to applicable federal or state law, whether statutory or as interpreted by the courts or by federal or state

agencies, including any changes in or new rules, regulations or other pronouncements or interpretations by federal or state agencies, (ii) any legislation enacted by the Congress of the United States (if such enacted legislation has an effective date which is on or before the Forward Settlement Date), (iii) any law, rule, or regulation enacted by any governmental body, department, or agency (if such enacted law, rule, or regulation has an effective date which is on or before the Forward Settlement Date), or (iv) any judgment, ruling or order issued by any court or administrative body, which in any such case would (A) as to the Underwriters, prohibit the Underwriters from completing the underwriting of the 2025 Series 1 Bonds or selling the 2025 Series 1 Bonds or beneficial ownership interests therein to the public, or (B) as to the State, make the completion of the issuance, sale, or delivery of the 2025 Series 1 Bonds illegal; provided, however, that such change in or addition to law, legislation, law, rule, or regulation or judgement, ruling, or order shall have become effective, been enacted, or been issued, as the case may be, after the date of the Forward Delivery Purchase Agreement.

- Bond Counsel is unable to issue an opinion substantially in the form of **APPENDIX C** as to the tax-exempt status of interest on the 2025 Series 1 Bonds.
- Legislation shall have been enacted by the Congress of the United States, or a decision by a court of the United States shall be rendered, or a ruling, regulation, proposed regulation, or statement by or on behalf of the U.S. Securities and Exchange Commission (SEC) or other governmental agency having jurisdiction of the subject matter shall be made, to the effect that any obligations of the general character of the 2025 Series 1 Bonds are not exempt from the registration, qualification, or other requirements of the Securities Act of 1933, the Securities Exchange Act of 1934, or the Trust Indenture Act of 1939 or otherwise, or would be in violation of any provision of the federal securities laws.
- The State shall have defaulted in the payment of its general obligation debt.
- As of the Forward Settlement Date, the 2025 Series 1 Bonds are not rated (or any rating on the 2025 Series 1 Bonds is suspended) by Kroll Bond Rating Agency, LLC, Moody's Investors Service, Inc., or S&P Global Ratings.
- A stop order, cease-and-desist order, injunction, no-action letter, ruling, regulation, or official statement by the SEC, its staff, or any other governmental agency having jurisdiction of the subject matter shall have been issued or made or any other event occurs, the effect of which is that the adoption of the Resolution or the issuance, offering, or sale of the 2025 Series 1 Bonds as contemplated in the Forward Delivery Purchase Agreement or in this Official Statement and the Updated Official Statement, is or would be in violation of any provision of the federal securities laws, including the Securities Act of 1933, as amended and then in effect, the Securities Exchange Act of 1934, as amended and as then in effect, or the Trust Indenture Act of 1939, as amended and as then in effect.
- This Official Statement, as of its date (or, if amended within the period ending 60 days after the Preliminary Closing Date, then as of the date of such amendment), or the Updated Official Statement, as of its date (or, if amended, then as of the date of such amendment), contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

Delayed Delivery Contract

The Representative will require investors purchasing the 2025 Series 1 Bonds to execute a Delayed Delivery Contract (**Delayed Delivery Contract**) in substantially the form set forth in **APPENDIX E**. The Delayed Delivery Contract provides that the purchaser will remain obligated to purchase the 2025 Series 1 Bonds, even if the purchaser decides to sell the purchased 2025 Series 1 Bonds following the date of the Delayed Delivery Contract. ***The State will not be a party to any Delayed Delivery Contract, and the State is not in any way responsible for the performance thereof or for any representations or warranties contained therein.*** The

rights and obligations under the Forward Delivery Purchase Agreement are not conditioned or dependent upon the performance of any Delayed Delivery Contract.

Additional Risks Related to Forward Delivery Period

Between the date of the Forward Delivery Purchase Agreement and the Forward Settlement Date (**Forward Delivery Period**), certain information contained in this Official Statement may change in material respects. Any changes in such information will not permit the Representative to terminate the Forward Delivery Purchase Agreement or release the purchasers of their obligation to purchase the 2025 Series 1 Bonds unless the change reflects an event described under “*Termination of Forward Delivery Purchase Agreement*” above. Purchasers of the 2025 Series 1 Bonds are subject to certain additional risks, some of which are described below.

Ratings Risk. No assurance can be given that the ratings assigned to the 2025 Series 1 Bonds on the Forward Settlement Date will not be different from those assigned as of the Preliminary Closing Date to the 2025 Series 1 Bonds. Issuance of the 2025 Series 1 Bonds and the Underwriters’ obligations under the Forward Delivery Purchase Agreement are not conditioned upon the assignment of any particular ratings for the 2025 Series 1 Bonds or the maintenance of the initial ratings of the 2025 Series 1 Bonds.

Secondary Market Risk. The Underwriters are not obligated to make a secondary market for the 2025 Series 1 Bonds, and no assurance can be given that a secondary market will exist for the 2025 Series 1 Bonds during the Forward Delivery Period or at any time thereafter. Prospective purchasers of the 2025 Series 1 Bonds should assume that there will be no secondary market for the 2025 Series 1 Bonds during the Forward Delivery Period.

Market Value Risk. The market value of the 2025 Series 1 Bonds as of the Forward Settlement Date may be affected by a variety of factors, including, without limitation, general market conditions, the financial condition of the State, and federal and state tax, securities, and other laws. The market value of the 2025 Series 1 Bonds as of the Forward Settlement Date could therefore be higher or lower than the price to be paid by the initial purchasers of the 2025 Series 1 Bonds, and that difference could be substantial. Neither the State nor the Underwriters make any representations as to the expected market value of the 2025 Series 1 Bonds as of the Forward Settlement Date.

Tax Law Risk. Subject to the other conditions of closing and delivery and the Representative’s rights of termination described above, the Forward Delivery Purchase Agreement obligates the State to deliver, and the Underwriters to accept, the 2025 Series 1 Bonds if the State delivers an opinion of Bond Counsel relating to the 2025 Series 1 Bonds substantially in the form and to the effect set forth in **APPENDIX C**. Notwithstanding that the enactment of new legislation, new court decisions or the promulgation of new regulations or rulings might diminish the value of, or otherwise affect, the exclusion from gross income of interest payable on “state or local bonds” (such as the 2025 Series 1 Bonds) for federal income tax purposes, the State might be able to satisfy the requirements for the delivery of the 2025 Series 1 Bonds. In such event, the purchasers would be required to accept delivery of the 2025 Series 1 Bonds. Prospective purchasers are encouraged to consult their tax advisors regarding the likelihood of any such changes in tax law and the consequences of such changes to the purchasers. See “**TAX MATTERS**” herein.

OTHER INFORMATION

Limitations on Issuance of General Obligations

General obligations issued by the State are subject to debt limits set forth in the Wisconsin Constitution and the Wisconsin Statutes. There is an annual debt limit of three-quarters of one percent, and a cumulative debt limit of five percent, of the aggregate value of all taxable property in the State. Currently, the annual debt limit is \$5,588,711,543 and the cumulative debt limit is \$37,258,076,955. Funding or refunding obligations (such as the Bonds) are not subject to the annual limit but are accounted for in applying the cumulative debt limit. Accrued

interest on any obligation that is not paid during the fiscal year in which it accrues is treated as debt and taken into account for purposes of the debt limitations.

As of April 1, 2023, general obligations of the State were outstanding in the aggregate principal amount of \$7,009,636,000. The issuance of the Bonds will not cause the State to exceed its annual debt limit or its cumulative debt limit.

Borrowing Plans for Calendar Year 2023

General Obligations

The 2023 Series 2 Bonds will be the third series of general obligations to be issued in this calendar year. The State has previously issued one series of general obligation bonds in this calendar year, in the principal amount of \$199 million, for general governmental purposes. The State has also issued one series of general obligations in this calendar year, in the principal amount of \$126 million, for the refunding of general obligations previously issued for general governmental purposes.

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

- Up to \$139 of additional general obligations for general governmental purposes. The State anticipates issuing these general obligations in the form of fixed rate bonds or variable rate notes in either the second or third quarter of this calendar year.
- Up to \$50* million of additional general obligations for the refunding of general obligation bonds previously issued for general governmental purposes. This authorization, remaining after the sale of the Bonds, expires May 4, 2023. The Commission will be asked to authorize the issuance of additional general obligations for refunding purposes at its May 3, 2023 meeting. The amount and timing of any authorization, sale, and issuance of any additional general obligations for refunding purposes depend, among other factors, on market conditions.
- General obligations for the funding of the State's outstanding extendible municipal commercial paper notes and variable rate demand obligation notes, which were outstanding in the amount of \$127 million as of April 1, 2023. The amount and timing of any issuance of general obligations for the funding of the State's EMCP or VRDO Notes depend on a decision to fund such obligations with a different form of variable-rate obligations or with bonds bearing fixed interest rates.

The Commission likely will be asked to authorize the issuance of additional general obligations for general governmental purposes in calendar year 2023. The amount and timing of issuances in calendar year 2023 of general obligations for this purpose depend on disbursements from the State Capital Improvement Fund for authorized purposes.

The 2025 Series 1 Bonds will be issued in calendar year 2025. The Commission likely will be asked to authorize the issuance of one or more series of general obligation for general governmental purposes in calendar years 2024 and 2025. In addition, any authorization of general obligations for refunding purposes adopted in calendar year 2023 will continue into calendar year 2024, with the amount and timing of any sale and issuance of general obligations for refunding purposes depending, among other factors, on market conditions.

Other Obligations

In calendar year 2023, the State has issued one series of transportation revenue obligations in the principal amount of \$143 million for the financing of transportation facilities and highway projects and one series of transportation revenue obligations in the principal amount of \$187 million for the refunding of outstanding transportation revenue bonds. The State has also sold one series of transportation revenue refunding bonds in calendar year 2023, in the principal amount of \$43 million, for delivery on or about April 2, 2024. The

*Preliminary; subject to change.

authorization, sale, and issuance of any transportation revenue obligations for the financing of transportation facilities and highway projects depend on the expenditures for such projects and market conditions. The Commission has authorized up to \$69 million of transportation revenue obligations to refund outstanding transportation revenue bonds. This authorization expires May 4, 2023. The Commission will be asked to authorize the issuance of additional transportation revenue obligations to refund outstanding transportation revenue bonds at its May 3, 2023 meeting. The amount and timing of any issuance of transportation revenue refunding bonds depend, among other factors, on market conditions.

The State has issued one series of general fund annual appropriation refunding bonds in the principal amount of \$384 million in calendar year 2023. The amount and timing of any issuance of general fund annual appropriation refunding bonds depend, among other factors, on market conditions.

The State has not issued any environmental improvement fund revenue bonds in calendar year 2023. The Commission has authorized up to \$100 million of environmental improvement fund revenue bonds for the purpose of making loans under the State's Environmental Improvement Fund. This authorization expires May 4, 2023. The Commission will be asked to authorize the issuance of additional environmental improvement fund revenue bonds at its May 3, 2023 meeting. The authorization, sale, and issuance of any environmental improvement fund revenue bonds depend, among other factors, on disbursement of funds from the State's Environmental Improvement Fund and market conditions.

The State has not issued any master lease certificates of participation in calendar year 2023. The State intends to sell master lease certificates of participation to fund outstanding lease schedules previously financed through a revolving credit facility, with delivery in June 2023. The amount and timing of any additional issuance of master lease certificates of participation depend, among other factors, on originations in the State's master lease program and market conditions.

The State does not currently intend to issue operating notes for the 2022-23 or 2023-24 fiscal years.

Reference Information About the Bonds

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

Municipal Advisor

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

Legal Investment

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

- Banks, trust companies, bankers, savings banks and institutions, building and loan associations, savings and loan associations, credit unions, investment companies, and other persons or entities carrying on a banking business.

- Personal representatives, guardians, trustees, and other fiduciaries.
- The State and all public officers, municipal corporations, political subdivisions, and public bodies.

Legal Opinions

Bond Opinion

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

Attorney General

As required by law, the office of the Attorney General will examine a certified copy of all proceedings leading to issuance of the Bonds. When the Bonds of each series are delivered, the Attorney General will deliver an opinion on the regularity and validity of the proceedings with respect to such Bonds. The Attorney General's opinion will also state that there is no action, suit, or proceeding, either pending or threatened in writing, known to the Attorney General, restraining or enjoining the issuance, sale, execution, or delivery of the Bonds, and there also is no action, suit, or proceeding, either pending or threatened in writing, known to the Attorney General, in any way contesting or affecting (1) the titles to their respective offices of any of the State officers involved in the issuance of the Bonds, (2) the validity of the Bonds or any of the proceedings taken with respect to the issuance, sale, execution, or delivery of the Bonds, or (3) the pledge or application of any moneys or security provided for the payment of the Bonds.

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

Other Legal Matters

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

TAX MATTERS

Tax Exemption

Federal Income Tax

In the opinion of Bond Counsel, under existing law, interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, interest on the Bonds is taken into account in determining "adjusted financial statement income" for purposes of computing the federal alternative minimum tax imposed on certain corporations for taxable years beginning after December 31, 2022. The State must comply with certain requirements of the Internal Revenue Code for interest on the Bonds to be, or continue to be, excluded from gross income for federal income tax purposes. The State has agreed to comply with those requirements to the extent it may lawfully do so. Its failure to do so may cause interest on the Bonds to be included in gross income for federal income tax purposes, perhaps even starting from the date on which the Bonds are issued. No provision is made for an increase in interest rates or a redemption of the Bonds in the event interest on the Bonds is included in gross income.

Each opinion of Bond Counsel will be based on legal authorities that are current as of its date, will cover certain matters not directly addressed by those authorities, and will represent Bond Counsel's judgment regarding the

proper treatment of the applicable Bonds for federal income tax purposes. It will not be binding on the Internal Revenue Service (**IRS**) or the courts and will not be a guaranty of result. As to questions of fact, Bond Counsel will rely upon certified proceedings and certifications of public officials and others without independently undertaking to verify them.

Bond Counsel will express no opinion about other federal tax matters regarding the Bonds. Other federal tax law provisions may adversely affect the value of an investment in the Bonds for particular owners of those Bonds. Prospective investors should consult their own tax advisors about the tax consequences of owning a Bond.

The IRS has an active tax-exempt bond enforcement program. Under current IRS procedures, owners of the Bonds would have little or no right to participate in an IRS examination of the Bonds. Moreover, it may not be practicable to obtain judicial review of IRS positions with which the State disagrees. Any action of the IRS, including selection of the Bonds for examination, the conduct or conclusion of such an examination, or an examination of obligations presenting similar tax issues, may affect the marketability of the Bonds.

The Inflation Reduction Act of 2022 (**Act**) was signed into law on August 16, 2022. For tax years beginning after December 31, 2022, the Act imposes an alternative minimum tax of 15% on the “adjusted financial statement income” of certain corporations. Interest on the Bonds will be taken into account in determining adjusted financial statement income. Other current and future legislative proposals, if enacted into law, may cause the interest on the Bonds to be subject, directly or indirectly, to federal income taxation or otherwise prevent the owners of the Bonds from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals may also affect the marketability of the Bonds. Prospective investors should consult their own tax advisors about the Act and other federal legislative proposals.

Original Issue Discount Bonds

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

Original issue discount on tax-exempt obligations accrues on a constant-yield-to-maturity method based on regular compounding. The amount of original issue discount accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period and will increase the owner’s tax basis in the obligations. The adjusted tax basis will be used to determine taxable gain or loss upon a disposition (for example, upon a sale, exchange, redemption, or payment at maturity) of the obligations.

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

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

Premium Bonds

Bonds purchased, whether at original issuance or otherwise, for an amount greater than their principal amount payable at maturity will be treated as having amortizable bond premium. No deduction is allowable for the

amortizable bond premium in the case of bonds, such as the Bonds, the interest on which is excluded from gross income for federal income tax purposes.

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

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

State Tax Considerations

General

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

State of Wisconsin Income and Franchise Taxes

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

CONTINUING DISCLOSURE

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

[Part I of the 2022 Annual Report](#), which contains information on the undertaking, including the State's Master Agreement on Continuing Disclosure (Amended and Restated March 1, 2019), the Addendum Describing Annual Report for General Obligations, and the form of Supplemental Agreement that will apply the Master Agreement and the Addendum to the Bonds, is included by reference as part of this Official Statement.

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

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

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

Dated: _____, 2023

STATE OF WISCONSIN

Governor Tony Evers, Chairperson
State of Wisconsin Building Commission

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

Naomi De Mers, Secretary
State of Wisconsin Building Commission

APPENDIX A

CERTAIN INFORMATION ABOUT THE STATE

This Appendix includes by reference information concerning the State of Wisconsin (**State**), contained in [Parts II and III of the State of Wisconsin Continuing Disclosure Annual Report, dated December 23, 2022 \(2022 Annual Report\)](#), which can be obtained as described below. This Appendix also makes updates and additions to the information presented in Part II of the 2022 Annual Report, including but not limited to:

- Information about the executive budget for the 2023-25 biennium.
- Estimated General Fund condition statement for the 2022-23 fiscal year and estimated General Fund tax collections for the 2022-23, 2023-24, and 2024-25 fiscal years, as included in a report provided by the Legislative Fiscal Bureau (**LFB**) on January 25, 2023 (**January 2023 LFB Report**).
- General Fund information for the 2022-23 fiscal year through February 28, 2023, which is presented on either a cash basis or an agency-recorded basis, and projected General Fund information for the remainder of the 2022-23 fiscal year, which is presented on a cash basis.

[Part II of the 2022 Annual Report](#) contains general information about the State. More specifically, that part presents information about the following matters:

- COVID-19 update
- Environmental, social, and governance factors
- State's revenue and expenditures
- State's operations, financial procedures, accounting, and financial reporting
- Organization of, and services provided by, the State
- Budget process and fiscal controls
- State budget (including results of 2021-22 fiscal year and summary of 2021-23 biennial budget)
- Potential effects of litigation
- State obligations
- Employee pension funds and other post-employment benefits
- State Investment Board
- Statistical information about the State's population, income, and employment

The State's audited General Purpose External Financial Statements and independent auditor's report provided by the State Auditor for the fiscal year ended June 30, 2022, prepared in conformity with generally accepted accounting principles (**GAAP**) for governments as prescribed by the Governmental Accounting Standards Board, are included as [APPENDIX A](#) to Part II of the 2022 Annual Report.

[Part III of the 2022 Annual Report](#) contains information concerning general obligations issued by the State. That part discusses the security provisions for general obligations (including the flow of funds to pay debt service on general obligations) and presents data about the State's outstanding general obligations and the portion of outstanding general obligations that is revenue supported.

The 2022 Annual Report and the Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022 were both filed with the Municipal Securities Rulemaking Board (**MSRB**) through its Electronic Municipal Market Access (**EMMA**) system. The 2022 Annual Report and the Annual Comprehensive Financial Report are also available from the part of the Capital Finance Office web site called "Official Disclosure for Bonds, Notes, and Other Securities Issued by the State of Wisconsin" and the State investor relations web site. The Capital

Finance Office web site and the State investor relations web site are located at the following respective addresses:

doa.wi.gov/capitalfinance

wisconsinbonds.com

Copies of the 2022 Annual Report may also be obtained from:

State of Wisconsin Department of Administration

Capital Finance Office

101 E. Wilson Street, FLR 10

P.O. Box 7864

Madison, WI 53707-7864

(608) 267-1836

DOACapitalFinanceOffice@wisconsin.gov

The State has independently provided periodic reports on General Fund financial information. These reports are not required by any of the State's undertakings to provide information concerning the State's securities. These reports are available on the State's Capital Finance Office web site that is listed above and were also filed as additional voluntary information with the MSRB through its EMMA system; however, the reports are not incorporated by reference into this Official Statement or Part II of the 2022 Annual Report. The State is not obligated to provide such reports at any time in the future.

After publication and filing of the 2022 Annual Report, certain changes or events have occurred that affect items discussed in the 2022 Annual Report. Listed below, by reference to particular sections of Part II of the 2022 Annual Report, are changes or additions to the information contained in those particular sections. When changes occur, the State may or may not (unless required to do so under the State's undertakings) file notices with the MSRB. However, the State has filed, and expects to continue to file, additional and other voluntary information with the MSRB, some of which may not be listed event notices required to be filed under the State's undertakings.

This Official Statement may include changes or additions that were released after the date of the Preliminary Official Statement (April 11, 2023). Any such changes or additions are identified accordingly.

State Budget; Budget for the 2023-25 Biennium (Part II, Page 41). Update with the following information.

As provided for in Wisconsin Statutes, and consistent with past practice, the Legislature approved a submission date for the executive budget for the 2023-25 biennium that is after January 31, 2023. Governor Evers submitted the executive budget for the 2023-25 biennium on February 15, 2023. The Governor's executive budget bill was introduced in both houses of the Legislature and referred to the Legislative Joint Committee on Finance for review. Both detailed and summary information about the Governor's executive budget for the 2023-25 biennium can be obtained from the following web site:

<https://doa.wi.gov/Pages/2023-25-Executive-Budget%20ASE.aspx>

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

In addition, LFB is expected to complete an initial review of the Governor's executive budget for the 2023-25 biennium, and when available such summary will be filed with the MSRB through its EMMA system and available from the State as provided above.

The following table includes the estimated General Fund condition statement for the 2023-24 and 2024-25 fiscal years, as detailed in the Governor's executive budget for the 2023-25 biennium.

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

	2023-24 Fiscal Year Executive Budget	2024-25 Fiscal Year Executive Budget
Revenues		
Opening Balance	\$7,098.8	\$1,908.3
Taxes	21,730.5	22,545.2
Department Revenues		
Tribal Gaming	-0.0-	-0.0-
Other	715.6	566.4
Total Available	\$29,544.9	\$25,019.9
Appropriations		
Gross Appropriations	\$24,227.5	\$23,934.9
Compensation Reserves	365.3	581.6
Transfers		
Transportation Fund	137.3	173.4
Capital Improvement Fund	1,955.0	-0.0-
Budget Stabilization Fund	500.0	-0.0-
Transportation Facilities Revenue Obligation Repayment Fund	379.4	-0.0-
Family and Medical Leave Benefits Insurance Fund	243.4	-0.0-
Artistic Endowment Fund	100.0	-0.0-
Veterans Homes Institutional Operations Account	10.0	-0.0-
Less: Lapses	(281.2)	(303.9)
Net Appropriations	\$27,636.6	\$24,386.0
Balances		
Gross Balance	\$1,908.3	\$633.9
Less: Req. Statutory Balance	(600.0)	(600.0)
Net Balance, June 30	\$1,308.3	\$33.9

State Budget; Estimated General Fund Condition Statement (Part II; Pages 38-40). Update with the following information.

January 2023 LFB Report – General Fund Condition Statement

The January 2023 LFB Report includes an estimated General Fund condition statement for the 2022-23 fiscal year. The following table includes this estimated General Fund condition statement for the 2022-23 fiscal year and shows a projected ending net balance of \$7,006 million.

The following table also includes, for comparison, the actual General Fund condition statement for the 2021-22 fiscal year, as reported in the State’s Annual Fiscal Report, and the estimated General Fund condition statement for the 2022-23 fiscal year from the 2021-23 biennial budget (**2021 Wisconsin Act 58**) and from a report provided by the Department of Administration on November 21, 2022 (**November 2022 DOA Report**).

A complete copy of the January 2023 LFB Report is included at the end of this Appendix A. In addition, the State has filed the January 2023 LFB Report with the MSRB through its EMMA system, and a copy is available from the State as provided on page [A-2](#).

ESTIMATED GENERAL FUND CONDITION STATEMENT
2022-23 FISCAL YEAR
(in Millions)

	2021-22 Fiscal Year Annual Fiscal Report	2022-23 Fiscal Year		
		2021 Wisconsin Act 58 ¹	November 2022 DOA Report	January 2023 LFB Report
Revenues				
Opening Balance	\$2,581.10	\$1,352.30	\$4,298.90	\$4,298.90
Prior Year Continuing Balance	62.8			
Taxes	20,548.4	19,457.9	21,292.6	21,353.3
Department Revenues				
Tribal Gaming	-0.0-	20.8	-0.0-	-0.0-
Other	569.7	471.4	716.3	712.0
Total Available	\$23,762.0	\$21,302.30	\$26,307.80	\$26,364.30
Appropriations				
Gross Appropriations	\$19,376.7	\$19,752.7	\$19,722.6	\$19,731.4
MA Biennial Adjustment	-0.0-	-0.0-	-0.0-	-0.0-
Sum Sufficient Re-estimates	-0.0-	-0.0-	-0.0-	-45.3-
Compensation Reserves	18.2	105.9	106.0	106.0
Transfers	428.5			
Transportation Fund		97.3	97.3	97.3
Building Trust Fund		-0.0-	-0.0-	-0.0-
MA Trust Fund		527.8	527.8	527.8
UI Trust Fund		60.0	60.0	60.0
Less: Lapses	(360.4)	(267.0)	(782.2)	(1,303.9)
Net Appropriations	\$19,463.0	\$20,276.7	\$19,731.4	\$19,263.8
Balances				
Gross Balance	\$4,298.9	\$1,025.6	\$6,576.4	\$7,100.5
Less: Req. Statutory Balance	n/a	(95.0)	(95.0)	(95.0)
Net Balance, June 30	\$4,298.0	\$930.6	\$6,481.4	\$7,005.5

¹ Adjusted to reflect the fiscal year 2020-21 ending balance as shown in the Annual Fiscal Report for fiscal year 2020-21 and DOR's updated individual income tax withholding tables that were effective January 1, 2022.

State Budget; Estimated Tax Collections for the 2022-23 Fiscal Year (Part II; Pages 40-41). Update with the following information.

January 2023 LFB Report – General Fund Condition Statement

The January 2023 LFB Report includes estimates General Fund tax collections for the 2022-23 fiscal year, which are \$21.353 billion, an increase of \$805 million (or 3.9%) from collections for the 2021-22 fiscal year, and an increase of \$61 million from the November 2022 DOA Report.

The following table sets forth the estimated General Fund tax revenues for the 2022-23 fiscal year as included in the January 2023 LFB Report. The table also includes, for comparison, the actual General Fund tax collections for the 2021-22 fiscal year, as reported in the State's Annual Fiscal Report, and the estimated General Fund tax collections for the 2022-23 fiscal year included in 2021 Wisconsin Act 58 and the November 2022 DOA Report.

A complete copy of the January 2023 LFB Report is included at the end of this Appendix A. In addition, the State has filed the January 2023 LFB Report with the MSRB through its EMMA system, and a copy is available from the State as provided on page [A-2](#).

ESTIMATED GENERAL FUND TAX REVENUE COLLECTION
2022-23 FISCAL YEAR
(in Millions)

	2021-22 Annual Fiscal Report	2022-23 Fiscal Year		
		2021 Wisconsin Act 58 ¹	November 2022 DOA Report	January 2023 LFB Report
Individual Income	\$9,214.4	\$9,115.6	\$9,609.0	\$9,610.0
Sales and Use	6,978.3	6,844.5	7,493.8	7,480.0
Corp. Income & Franchise	2,960.0	2,160.0	2,805.7	2,910.0
Public Utility	383.6	352.0	391.7	391.0
Excise				
Cigarettes	482.4	483.0	460.3	451.0
Tobacco Products	94.4	100.0	90.9	92.0
Vapor Products	4.1	2.0	4.5	5.6
Liquor & Wine	64.9	61.0	68.5	68.0
Beer	8.9	8.8	8.8	8.7
Insurance Company	221.8	217.0	237.6	230.0
Miscellaneous Taxes	135.6	114.0	121.9	107.0
TOTAL	\$20,548.4	\$19,457.9	\$21,292.6	\$21,353.3

¹ Adjusted to reflect DOR's updated individual income tax withholding tables, which were effective January 1, 2022.

State Budget; Revenue Projections for 2023-25 Biennium (Part II; Pages 41-42). Update with the following information.

January 2023 LFB Report – General Fund Condition Statement

The January 2023 LFB Report also includes estimates of the General Fund tax collections for the 2023-24 and 2024-25 fiscal years. For the 2023-24 fiscal year, the January 2023 LFB Report anticipates General Fund tax collections of \$21.542 billion, an increase of \$189 million (or 0.9%) from the 2022-23 fiscal year projections. For the 2024-25 fiscal year, the January 2023 LFB Report anticipates General Fund tax collections of \$22.391 billion, an increase of \$850 million (or 3.9%) from the 2023-24 fiscal year projections.

The following table provides a summary of estimated General Fund tax collections for the 2023-24 and 2024-25 fiscal years. For comparison purposes, the following table also provides the estimated collections from the November 2022 DOA Report.

A complete copy of the January 2023 LFB Report is included at the end of this Appendix A. In addition, the State has filed the January 2023 LFB Report with the MSRB through its EMMA system, and a copy is available from the State as provided on page [A-2](#).

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

	2023-24 Fiscal Year		2024-25 Fiscal Year	
	November 2022 DOA Report	January 2023 LFB Report	November 2022 DOA Report	January 2023 LFB Report
Individual Income	\$9,631.0	\$9,770.0	\$10,107.4	\$10,300.0
Sales and Use	7,691.1	7,600.0	7,913.9	7,780.0
Corp. Income & Franchise	2,915.5	2,850.0	3,051.4	2,970.0
Public Utility	389.9	372.0	401.7	377.0
Excise				
Cigarettes	443.5	439.0	427.8	427.0
Tobacco Products	89.5	94.0	87.7	96.0
Liquor & Wine	4.6	6.2	4.7	6.8
Vapor Products	70.0	69.0	71.9	71.0
Beer	8.6	8.6	8.6	8.6
Insurance Company	252.9	237.0	267.8	245.0
Miscellaneous Taxes	119.9	96.0	128.7	110.0
TOTAL	\$21,616.5	\$21,541.8	\$22,471.6	\$22,391.4

General Fund Information; General Fund Cash Flow (Part II; Pages 49-61). The following tables provide updates and additions to various tables containing General Fund information for the 2022-23 fiscal year. Actual General Fund information for the 2022-23 fiscal year through February 28, 2023, and projections for the remainder of the 2022-23 fiscal year, are presented primarily on a cash basis.

The projections and estimates for the 2022-23 fiscal year reflect 2021 Wisconsin Act 58 and the January 2023 LFB Report. The comparison of monthly General Fund information that is presented on a cash basis has many inherent problems. Unforeseen events or variations from underlying assumptions may cause a decrease or increase in receipts and disbursements from those projected for any specific month. The following tables may show negative balances on a cash basis. The State can have a negative cash balance at the end of a fiscal year.

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

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

Table II-11; General Fund Cash Flow (Part II; Page 52). Replace with the following updated table.

ACTUAL GENERAL FUND CASH FLOW; JULY 1, 2022 TO FEBRUARY 28, 2023^(a)
PROJECTED GENERAL FUND CASH FLOW; MARCH 1, 2023 TO JUNE 30, 2023^(a)
(Amounts in Thousands)

	July 2022	August 2022	September 2022	October 2022	November 2022	December 2022	January 2023	February 2023	March 2023	April 2023	May 2023	June 2023
BALANCES^{(a)(b)}												
Beginning Balance	\$ 7,448,294	\$ 6,481,766	\$ 7,374,437	\$ 8,273,661	\$8,985,797	\$8,833,231	\$7,910,953	\$9,375,701	\$9,311,439	\$8,286,505	\$9,102,110	\$9,858,404
Ending Balance ^(c)	6,481,766	7,374,437	8,273,661	8,985,797	8,833,231	7,910,953	9,375,701	9,311,439	8,286,505	9,102,110	9,858,404	9,328,225
Lowest Daily Balance ^(c)	6,481,766	6,465,145	6,716,729	7,922,761	8,536,885	6,786,556	7,852,673	8,717,724	7,834,520	7,547,428	8,779,411	8,409,487
RECEIPTS												
TAX RECEIPTS												
Individual Income	\$ 557,765	\$ 940,270	\$ 1,014,964	\$ 937,124	\$693,179	\$882,819	\$1,554,764	\$692,182	\$1,246,238	\$1,759,119	\$1,388,844	\$1,335,953
Sales & Use	730,331	714,420	716,342	716,845	717,090	422,602	770,095	576,288	551,951	691,590	648,206	723,892
Corporate Income	77,895	51,093	551,029	73,137	60,320	497,117	152,180	42,485	360,164	434,196	76,106	461,475
Public Utility	56	45	410	28,438	182,139	471	16	-	12	6,567	199,576	2,402
Excise	62,605	51,765	61,274	57,560	50,721	53,349	47,377	57,162	44,746	58,935	45,620	52,476
Insurance	71	3,594	47,330	88	1,618	48,139	1,787	20,625	27,585	50,743	3,151	47,822
Subtotal Tax Receipts	\$ 1,428,723	\$ 1,761,187	\$ 2,391,349	\$ 1,813,192	\$1,705,067	\$1,904,497	\$2,526,219	\$1,388,742	\$2,230,696	\$3,001,150	\$2,361,503	\$2,624,020
NON-TAX RECEIPTS												
Federal	\$ 1,583,249	\$ 928,121	\$ 1,445,889	\$ 1,172,246	\$1,136,969	\$1,172,246	\$1,069,587	\$1,424,051	\$1,194,262	\$1,182,455	\$1,278,138	\$1,423,792
Other & Transfers	704,783	466,738	1,032,798	605,163	430,744	728,479	686,865	765,772	724,163	476,839	372,622	726,319
Note Proceeds	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal Non-Tax Receipts	\$ 2,288,032	\$ 1,394,859	\$ 2,478,687	\$ 1,777,409	\$1,567,713	\$1,900,725	\$1,756,452	\$2,189,823	\$1,918,425	\$1,659,294	\$1,650,760	\$2,150,111
TOTAL RECEIPTS	\$ 3,716,755	\$ 3,156,046	\$ 4,870,036	\$ 3,590,601	\$3,272,780	\$3,805,222	\$4,282,671	\$3,578,565	\$4,149,121	\$4,660,444	\$4,012,263	\$4,774,131
DISBURSEMENTS												
Local Aids	\$ 1,534,618	\$ 272,191	\$ 1,032,158	\$ 157,360	\$1,003,549	\$1,551,760	\$219,007	\$852,057	\$2,098,014	\$111,757	\$324,899	\$2,239,294
Income Maintenance	962,942	1,029,140	1,087,929	994,371	999,551	1,296,202	1,003,724	1,065,808	1,059,485	1,117,438	1,083,429	878,522
Payroll and Related	468,755	435,856	466,938	519,146	532,331	656,499	582,684	503,227	484,921	481,759	488,083	645,764
Tax Refunds	123,554	152,073	149,046	182,740	150,039	312,107	191,441	476,771	535,044	531,549	195,878	132,119
Debt Service	289,654	68	-	266,475	2,273	-	-	-	-	352,269	23,279	-
Miscellaneous	1,303,760	374,047	1,234,741	758,373	737,603	910,932	821,067	744,964	996,591	1,250,067	1,140,401	1,408,611
TOTAL DISBURSEMENTS	\$ 4,683,283	\$ 2,263,375	\$ 3,970,812	\$ 2,878,465	\$3,425,346	\$4,727,500	\$2,817,923	\$3,642,827	\$5,174,055	\$3,844,839	\$3,255,969	\$5,304,310

- (a) The projections and estimates in this table reflect 2021 Wisconsin Act 58 and the January 2023 LFB Report. Projections and estimates do not reflect any specific disbursement, but rather generalized assumptions for disbursement, of remaining ARPA federal funds. Temporary reallocations of cash are not included.
- (b) The General Fund cash balances presented in this schedule are not based on GAAP. The General Fund includes funds designated for operations and capital purposes of certain proprietary programs of the State's universities. Receipts and disbursements of such funds for the designated programs and the disbursement of such funds for other purposes are reflected in the cash flow. A use of the designated funds for purposes other than the proprietary programs is, in effect, a borrowing of such funds. Therefore, at any time that the balance in the General Fund is less than the balance of such designated funds, the State is obligated to replenish the designated funds to the extent of the shortfall. These designated funds are anticipated to range from \$1.5 billion to \$2.2 billion for the 2022-23 fiscal year. In addition, the General Fund holds deposits for several escrow accounts pursuant to court orders or federal rulings. These funds have averaged and are expected to continue to average approximately \$25 million during each fiscal year.
- (c) The Wisconsin Statutes provide certain administrative remedies to deal with periods when the General Fund may be in a negative cash position. The Secretary of Administration may temporarily reallocate cash in other funds to the General Fund in an amount up to 9% of the general-purpose revenue appropriations then in effect, with an additional amount up to 3% for a period of up to 30 days. The resulting amounts available for temporary reallocation for the 2022-23 fiscal year (based on 2021 Wisconsin Act 58), are approximately \$1.778 billion and \$593 million, respectively. If the amount available for temporary reallocation to the General Fund is not sufficient, then the Secretary of Administration is authorized to set priorities for payments from the General Fund and to prorate or defer certain payments.

Source: Department of Administration

Table II-12; Historical General Fund Cash Flow (Part II; Page 53). Replace with the following updated table.

HISTORICAL GENERAL FUND CASH FLOW^(a)
ACTUAL FISCAL YEARS 2018-19 TO 2021-22
ACTUAL AND PROJECTED FISCAL YEAR 2022-23
(Amounts in Thousands)

	Actual 2018-19 Fiscal Year	Actual 2019-20 Fiscal Year	Actual 2020-21 Fiscal Year	Actual 2021-22 Fiscal Year	FY23 YTD Actual thru Feb-23; Estimated Mar-23 thru Jun-23
RECEIPTS					
Tax Receipts					
Individual Income	\$10,557,272	\$10,138,020	\$12,322,447	\$12,254,052	\$12,153,390
Sales	6,132,089	6,253,771	6,825,242	7,600,527	7,991,473
Corporate Income	1,519,561	1,551,402	2,753,782	2,936,462	2,865,094
Public Utility	415,047	409,513	409,860	425,920	420,197
Excise	681,262	667,055	683,307	663,646	630,820
Insurance	218,304	242,228	230,169	248,367	256,459
Total Tax Receipts	\$ 19,523,535	\$ 19,261,989	\$ 23,224,807	\$24,128,974	\$24,317,433
Non-Tax Receipts					
Federal	\$10,093,533	\$12,725,759	\$13,868,008	\$16,491,256	\$15,005,637
Other and Transfers	6,241,726	5,887,398	6,572,553	7,105,946	7,613,391
Total Non-Tax Receipts	\$16,335,259	\$18,613,157	\$20,440,561	\$23,597,202	\$22,619,028
TOTAL RECEIPTS	\$35,858,794	\$37,875,146	\$43,665,368	\$47,726,176	\$46,936,461
DISBURSEMENTS					
Local Aids	\$9,698,906	\$9,917,134	\$10,460,416	\$11,147,436	\$11,334,962
Income Maintenance	9,747,283	10,126,849	11,040,922	12,596,315	12,556,350
Payroll & Related	5,333,395	5,633,397	5,689,539	6,014,346	6,247,657
Tax Refunds	2,785,514	2,992,617	3,533,245	4,195,231	2,576,062
Debt Service	914,688	875,340	973,718	961,923	934,923
Miscellaneous	6,396,205	6,811,025	9,486,768	11,871,707	12,097,561
TOTAL DISBURSEMENTS	\$34,875,991	\$36,356,362	\$41,184,608	\$46,786,958	\$45,747,515
NET CASH FLOW	\$982,803	\$1,518,784	\$2,480,760	\$939,218	\$1,188,946

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

Source: Department of Administration

Table II-13; General Fund Cash Receipts and Disbursements Year-to-Date Compared to Estimates and Previous Fiscal Year (Part II; Page 55). Replace with the following updated table.

**GENERAL FUND CASH RECEIPTS AND DISBURSEMENTS YEAR-TO-DATE
COMPARED TO ESTIMATES AND PREVIOUS FISCAL YEAR^(a)
(Cash Basis)
As of February 28, 2023
(Amounts in Thousands)**

	2021-22 Fiscal Year through February 28, 2022		2022-23 Fiscal Year through February 28, 2023			Difference FY23 Actual to FY22 Actual
	Actual	Actual	Estimate ^(b)	Variance	Adjusted Variance ^(c)	
RECEIPTS						
Tax Receipts						
Individual Income	\$7,560,946	\$7,273,067	\$7,828,152	(\$555,085)	(\$555,085)	(\$287,879)
Sales	5,121,776	5,364,013	5,423,387	(59,374)	(59,374)	\$242,237
Corporate Income	1,549,760	1,505,256	1,670,789	(165,533)	(165,533)	(\$44,504)
Public Utility	211,812	211,575	222,513	(10,938)	(10,938)	(\$237)
Excise	458,032	441,813	444,876	(3,063)	(3,063)	(\$16,219)
Insurance	124,387	123,252	128,804	(5,552)	(5,552)	(\$1,135)
Total Tax Receipts	\$15,026,713	\$14,918,976	\$15,718,521	(\$799,545)	(\$799,545)	(\$107,737)
Non-Tax Receipts						
Federal	\$9,488,072	\$9,932,359	\$9,668,128	\$264,231	\$264,231	\$444,287
Other and Transfers	4,732,326	5,421,341	4,823,494	597,847	597,847	622,656
Total Non-Tax Receipts	\$14,220,398	\$15,353,700	\$14,491,622	\$862,078	\$862,078	\$1,066,943
TOTAL RECEIPTS	\$29,247,111	\$30,272,676	\$30,210,143	\$62,533	\$62,533	\$1,174,680
DISBURSEMENTS						
Local Aids	\$6,487,147	\$6,622,700	\$6,526,662	(\$96,038)	(\$96,038)	\$135,553
Income Maintenance	8,152,630	8,439,667	8,463,778	24,111	24,111	\$287,037
Payroll & Related	3,942,814	4,165,438	4,046,536	(118,902)	(118,902)	\$222,624
Tax Refunds	1,856,756	1,737,705	1,083,042	(654,663)	(654,663)	(\$119,051)
Debt Service	662,319	558,470	572,580	14,110	14,110	(\$103,849)
Miscellaneous	7,277,894	6,885,551	9,357,443	2,471,892	2,471,892	(\$392,343)
TOTAL DISBURSEMENTS	\$24,414,366	\$28,409,531	\$30,050,041	\$1,640,510	\$1,640,510	\$29,971
2022-23 FISCAL YEAR VARIANCE YEAR-TO-DATE				\$1,703,043	\$1,703,043	

- (a) None of the data presented here has been subjected to customary fiscal period closing procedures or other procedures used in the preparation of a financial statement, including verification, reconciliation, and identified adjustments. In addition, comparison of monthly General Fund financial information has many inherent problems. Unforeseen events (including even a change in weather conditions) or variations from underlying assumptions may cause a decrease in receipts or an increase in disbursements from those projected for a given month.
- (b) The projections and estimates for the 2022-23 fiscal year reflect 2021 Wisconsin Act 58 and the January 2023 LFB Report. Projections and estimates also reflect DOR's updated individual income tax withholding tables, effective January 1, 2022. The projections and estimates do not reflect any specific disbursement of remaining ARPA federal funds.
- (c) Changes are sometimes made after the beginning of the fiscal year to the projected revenues and disbursements. Depending on when these changes occur, there are situations in which prior estimates cannot be changed, which may result in large variances. This column includes adjustments to the variances, if any, to more accurately reflect the variance between the estimated and actual amounts.

Source: Department of Administration

Table II-14; General Fund Monthly Cash Position (Part II; Page 56). Replace with the following updated table.

GENERAL FUND MONTHLY CASH POSITION^(a)
July 1, 2020 through February 28, 2023 – Actual
March 1, 2023 through June 30, 2023 – Estimated^(b)
(Amounts in Thousands)

<u>Starting Date</u>	<u>Starting Balance</u>	<u>Receipts</u>	<u>Disbursements</u>
2020 July	\$4,028,316	\$4,448,651	\$4,578,717
August	3,898,250	2,306,066	2,222,454
September	3,981,862	3,765,390	2,864,941
October	4,882,311	2,944,091	2,674,912
November	5,151,490	3,095,994	2,999,812
December	5,247,672	3,491,201	4,564,868
2021 January	4,174,005	3,815,496	2,399,950
February	5,589,551	3,202,803	3,375,746
March	5,416,608	3,747,446	4,686,189
April	4,477,865	3,878,368	3,415,709
May	4,940,524	5,192,333	2,983,373
June	7,149,484	3,777,529	4,417,937
July	6,509,076	3,479,185	4,895,076
August	5,093,185	3,422,769	2,312,286
September	6,203,668	3,667,999	4,206,441
October	5,665,226	3,652,864	2,606,399
November	6,711,691	3,575,707	3,125,687
December	7,161,711	3,970,348	4,478,086
2022 January	6,653,973	4,135,853	2,790,391
February	7,999,435	3,342,386	3,965,194
March	7,376,627	3,995,960	5,192,203
April	6,180,384	4,604,906	4,287,085
May	6,498,205	5,022,704	2,919,450
June	8,601,459	4,855,495	6,008,660
July	7,448,294	3,716,755	4,683,283
August	6,481,766	3,156,046	2,263,375
September	7,374,437	4,870,036	3,970,812
October	8,273,661	3,590,601	2,878,465
November	8,985,797	3,272,780	3,425,346
December	8,833,231	3,805,222	4,727,500
2023 January	7,910,953	4,282,671	2,817,923
February	9,375,701	3,578,565	3,642,827
March	9,311,439	4,149,121	5,174,055
April	8,286,505	4,660,444	3,844,839
May	9,102,110	4,012,263	3,255,963
June	9,858,410	4,774,131	5,304,310

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

(b) The projections and estimates for the 2022-23 fiscal year (cash basis) reflect 2021 Wisconsin Act 58 and the January 2023 LFB Report.

Source: Department of Administration

Table II-15; Cash Balances in Funds Available for Temporary Reallocation (Part II; Page 57). Replace with the following updated table.

**CASH BALANCES IN FUNDS AVAILABLE FOR
TEMPORARY REALLOCATION^{(a)(b)}
July 31, 2020 to February 28, 2023 — Actual
March 31, 2023 to June 30, 2023 — Projected^(c)
(Amounts in Millions)**

The following two tables show, on a monthly basis, the cash balances available for temporary reallocation. The first table does not include balances in the Local Government Investment Pool (LGIP) and the second table does include such balances. Though the LGIP is available for temporary reallocation, funds in the LGIP are deposited and withdrawn by local units of government, and thus are outside the control of the State. The monthly average daily balances in the LGIP for the past five years have ranged from a low of \$2.799 billion during October 2018 to a high of \$6.632 billion during July 2022. The Secretary of Administration may not exercise the authority to use temporary reallocation if doing so would jeopardize the cash flow of any fund or account from which a temporary reallocation would be made.

<u>Available Balances; Does Not Include Balances in the LGIP</u>				
<u>Month (Last Day)</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
January		\$1,866	\$2,273	\$2,958
February		2,030	2,428	3,024
March		2,000	2,282	1,815
April		2,008	2,211	1,716
May		2,063	2,285	1,670
June		2,337	2,812	1,806
July.....	\$1,575	2,243	2,711	
August	1,627	2,067	2,443	
September	1,783	2,148	2,671	
October	1,620	2,011	2,408	
November.....	1,672	2,085	2,678	
December	1,873	2,209	3,008	

<u>Available Balances; Includes Balances in the LGIP</u>				
<u>Month (Last Day)</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
January		\$7,130	\$7,971	\$8,574
February		7,602	8,200	9,110
March		7,988	8,664	6,970
April		7,428	8,085	6,990
May		7,529	7,783	6,469
June		7,708	8,845	6,524
July.....	\$7,004	8,383	9,343	
August	6,087	7,160	7,786	
September	5,970	6,915	7,507	
October	5,410	6,410	6,986	
November.....	5,418	6,342	7,121	
December	6,549	7,238	7,846	

- (a) None of the data presented here has been subjected to customary fiscal period closing procedures or other procedures used in the preparation of a financial statement, including verification, reconciliation, and identified adjustments. In addition, comparison of monthly General Fund financial information has many inherent problems. Unforeseen events (including even a change in weather conditions) or variations from underlying assumptions may cause a decrease in receipts or an increase in disbursements from those projected for a given month.
- (b) The amounts shown reflect a reduction in the aggregate cash balances available to the extent any fund had a negative balance and temporary reallocations were made from such fund.
- (c) The projections and estimates for 2022-23 fiscal year (cash basis) reflect 2021 Wisconsin Act 58 and a report provided by LFB on January 25, 2022. Actual results, projections, and estimates reflect the receipt of ARPA federal funds, including receipt of \$1.5 billion in May 2022 (reflecting funds for the State under the State Fiscal Recovery Fund along with certain non-entitlement governmental unit allocation of funds under the Local Fiscal Recovery Fund that are required to pass through the State). Projections and estimates do not reflect any specific disbursement, but rather generalized assumptions for disbursement, of remaining ARPA federal funds. Projections and estimates also do not reflect the January 2023 LFB Report.

Source: Department of Administration

Table II-16; General Fund Recorded Revenues (Part II; Page 59). Replace with the following updated table.

GENERAL FUND RECORDED REVENUES^(a)
(Agency-Recorded Basis)
July 1, 2022 to February 28, 2023 compared with previous year

	Annual Fiscal Report Revenues 2021-22 Fiscal Year ^(b)	Projected Revenues 2022-23 Fiscal Year ^(c)	Recorded Revenues July 1, 2021 to February 28, 2022 ^(d)	Recorded Revenues July 1, 2022 to February 28, 2023 ^(e)
Individual Income Tax	\$9,214,400,000	\$9,115,564,000	\$6,142,437,335	\$5,499,955,493
General Sales and Use Tax	6,978,300,000	6,844,500,000	4,009,679,338	3,844,762,886
Corporate Franchise and Income Tax	2,960,000,000	2,160,000,000	1,351,088,380	1,263,321,209
Public Utility Taxes	383,600,000	352,000,000	188,208,566	189,122,236
Excise Taxes	654,700,000	654,800,000	394,637,915	323,963,012
Inheritance Taxes	-0-	-0-	-0-	-0-
Insurance Company Taxes	221,800,000	217,000,000	132,681,398	102,450,924
Miscellaneous Taxes	135,600,000	114,000,000	195,566,061	149,917,644
SUBTOTAL	\$20,548,400,000	\$19,457,864,000	\$12,414,298,991	\$11,373,493,404
 Federal and Other Inter- Governmental Revenues ^(f)	 18,570,506,000	 12,720,421,900	 10,165,110,084	 9,608,488,776
 Dedicated and Other Revenues ^(g) ..	 8,957,779,000	 7,128,404,200	 5,474,585,007	 5,363,755,138
 TOTAL	 \$48,076,685,000	 \$39,306,690,100	 \$28,053,994,082	 \$26,345,737,318

- (a) The revenues in this table are presented on an agency-recorded basis and not a budgetary basis. None of the data presented here has been subjected to customary fiscal period closing procedures or other procedures used in the preparation of a financial statement, including verification, reconciliation, and identified adjustments.
- (b) The amounts are from the Annual Fiscal Report (budgetary basis) for the 2021-22 fiscal year dated October 14, 2022.
- (c) The estimates in this table for the 2022-23 fiscal year (cash basis) reflect 2021 Wisconsin Act 58, but do not reflect the January 2023 LFB Report.
- (d) The amounts shown are the 2021-22 fiscal year general purpose revenues and program revenues taxes as recorded by State agencies. There may be differences between the tax revenues shown in this table and those that may be reported by DOR from time to time in its monthly general purpose revenue collections report; the DOR report (i) only includes general purpose revenues or taxes that are actually collected by DOR (and not by other State agencies), and (ii) may include accruals or other adjustments that may not be recorded by State agencies until a subsequent month.
- (e) The amounts shown are the 2022-23 fiscal year general purpose revenues and program revenue taxes as recorded by State agencies. There may be differences between the tax revenues shown in this table and those that may be reported by DOR from time to time in its monthly general purpose revenue collections report; the DOR report (i) only includes general purpose revenues or taxes that are actually collected by DOR (and not by other State agencies), and (ii) may include accruals or other adjustments that may not be recorded by State agencies until a subsequent month.
- (f) This category includes intergovernmental transfers. The amount of these transfers may vary greatly between fiscal years, and therefore, this category may not be comparable on a historical basis.
- (g) Certain transfers between General Fund appropriations are recorded as both revenues and expenditures of the General Fund. The amount of these transfers may vary greatly between fiscal years, and therefore this category may not be comparable on a historical basis.

Source: Department of Administration

Table II-17; General Fund Recorded Expenditures by Function (Part II; Page 61). Replace with the following updated table.

**GENERAL FUND RECORDED EXPENDITURES BY FUNCTION^(a)
(Agency-Recorded Basis)
July 1, 2022 to February 28, 2023 compared with previous year^(b)**

	Annual Fiscal Report Expenditures 2021-22 Fiscal Year ^(b)	Estimated Appropriations 2022-23 Fiscal Year ^(c)	Expenditures July 1, 2021 to February 28, 2022 ^(d)	Expenditures July 1, 2022 to February 28, 2023 ^(e)
Commerce	\$ 558,080,000	\$ 424,046,700	\$328,835,965	\$383,264,064
Education	15,957,498,000	15,431,359,300	8,985,602,463	8,105,496,742
Environmental Resources	305,660,000	285,123,800	163,755,658	116,294,237
Human Relations & Resources	21,598,080,000	17,629,648,700	13,510,509,171	12,916,082,410
General Executive	3,745,808,000	1,262,292,000	1,751,117,312	1,297,022,469
Judicial	154,578,000	152,077,300	112,974,452	103,800,346
Legislative	81,703,000	87,774,000	49,697,349	40,013,403
General Appropriations	2,768,023,000	3,057,063,100	2,494,563,157	2,848,278,779
TOTAL	\$ 45,169,430,000	\$ 38,329,384,900	\$27,397,055,527	\$25,810,252,449

- (a) The expenditures in this table are presented on an agency-recorded basis and not a budgetary basis. None of the data presented in this table has been subjected to customary fiscal period closing procedures or other procedures used in the preparation of a financial statement, including verification, reconciliation, and identified adjustments.
- (b) The amounts are from the Annual Fiscal Report (budgetary basis) for the 2021-22 fiscal year, dated October 14, 2022.
- (c) The appropriations included in this table reflect 2021 Wisconsin Act 58.
- (d) The amounts shown are 2021-22 fiscal year expenditures as recorded by all State agencies.
- (e) The amounts shown are 2022-23 fiscal year expenditures as recorded by all State agencies.

Source: Department of Administration

Table II-39; Unemployment Rate Comparison (Part II; Page 97). Replace with the following updated and revised table.

Table II-39
UNEMPLOYMENT RATE COMPARISON^{(a)(b)}
2018 to 2023

	<u>2023</u>		<u>2022</u>		<u>2021</u>		<u>2020</u>		<u>2019</u>		<u>2018</u>	
	<u>Wis.</u>	<u>U.S.</u>	<u>Wis.</u>	<u>U.S.</u>	<u>Wis.</u>	<u>U.S.</u>	<u>Wis.</u>	<u>U.S.</u>	<u>Wis.</u>	<u>U.S.</u>	<u>Wis.</u>	<u>U.S.</u>
January	2.7	3.9	3.2	4.4	4.7	6.8	3.3	4.0	3.3	4.4	3.1	4.5
February	2.8	3.9	3.4	4.1	5.0	6.6	3.3	3.8	3.4	4.1	3.4	4.4
March			3.4	3.8	4.8	6.2	3.8	4.5	3.5	3.9	3.3	4.1
April			3.1	3.3	4.3	5.7	14.1	14.4	3.0	3.3	2.9	3.7
May			2.9	3.4	4.1	5.5	10.5	13.0	3.1	3.4	2.8	3.6
June			3.5	3.8	4.5	6.1	8.7	11.2	3.7	3.8	3.6	4.2
July			3.3	3.8	3.9	5.7	7.9	10.5	3.5	4.0	3.1	4.1
August			3.3	3.8	3.7	5.3	6.0	8.5	3.3	3.8	3.0	3.9
September			3.2	3.3	3.0	4.6	5.3	7.7	2.9	3.3	2.6	3.6
October			2.8	3.4	2.7	4.3	4.5	6.6	2.8	3.3	2.6	3.5
November			2.6	3.4	2.4	3.9	4.4	6.4	2.8	3.3	2.6	3.5
December			2.3	3.3	2.3	3.7	4.4	6.5	2.8	3.4	2.7	3.7
Annual Average			3.1	3.6	3.8	5.3	6.3	8.1	3.2	3.7	3.0	3.9

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

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

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

Legislative Fiscal Bureau

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January 25, 2023

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

Dear Representative Born and Senator Marklein:

Annually, this office prepares general fund revenue and expenditure projections for the Legislature.

In odd-numbered years, our report includes estimated general fund revenues and expenditures for the current fiscal year and tax collection projections for each year of the next biennium. This report presents the conclusions of our analysis.

Comparison with the Administration's November 21, 2022, Report

On November 21, 2022, the Departments of Administration and Revenue submitted a report to the Governor and Legislature that identified general fund revenue and expenditure projections for the 2022-23 fiscal year and the 2023-25 biennium. That report, required by statute, identifies the magnitude of state agency biennial budget requests and presents a projection of general fund tax collections.

Our analysis indicates that for the three-year period, aggregate general fund tax collections will be slightly lower (-\$94.2 million) than those of the November 21, 2022, report (\$60.7 million in 2022-23, -\$74.7 million in 2023-24, and -\$80.2 million in 2024-25).

Based upon the November 21 report, the administration's general fund condition statement for 2022-23 reflects a gross ending balance of \$6,576.4 million and a net balance (after consideration of the \$95.0 million required statutory balance) of \$6,481.4 million.

Our analysis indicates a gross balance of \$7,100.4 million and a net balance of \$7,005.4 million. This is \$524.0 million above that of the November 21 report. The 2022-23 general fund condition statement is shown in Table 1.

TABLE 1

Estimated 2022-23 General Fund Condition Statement

	<u>2022-23</u>
Revenues	
Opening Balance, July 1	\$4,298,919,000
Taxes	21,353,300,000
Departmental Revenues	
Tribal Gaming	0
Other	<u>712,036,300</u>
Total Available	\$26,364,255,300
Appropriations, Transfers, and Reserves	
Gross Appropriations	\$19,731,372,000
Sum Sufficient Reestimates	45,259,800
Transfers to:	
Transportation Fund	97,289,300
MA Trust Fund	527,783,700
UI Trust Fund	60,000,000
Compensation Reserves	105,951,600
Less Lapses	<u>-1,303,859,700</u>
Net Appropriations	\$19,263,796,700
Balances	
Gross Balance	\$7,100,458,600
Less Required Statutory Balance	<u>-95,000,000</u>
Net Balance, June 30	\$7,005,458,600

The factors that make up the \$524.0 million difference are as follows. First, based on economic forecasts and tax collections to date, our estimated tax collections for 2022-23 are \$60.7 million higher than the projection of the November 21 report. Next, there is a slight decrease in departmental revenues (non-tax receipts deposited into the general fund) of \$4.3 million. Finally, net appropriations are projected to be \$467.6 million below those of the November 21 report. The additional general fund balance of \$524.0 million for 2022-23 is displayed as follows (\$60.7 million - \$4.3 million + \$467.6 million = \$524.0 million).

This reduction in net appropriations is due to an increase in the amounts expected to lapse (revert) to the general fund at the end of the 2022-23 fiscal year, offset by an increase in projected sum sufficient appropriations.

The projected lapse estimates for 2022-23 of our analysis exceed those of the November 21 report by \$521.6 million. The two major items that contribute to the increased lapse amount are described below.

First, the GPR appropriation for the medical assistance program (MA) is projected to end the 2021-23 biennium with a surplus of \$774.8 million. The MA lapse estimate of the November 21 report was based on the September 30, 2022, DHS projection of \$504.9 million. On December 30, 2022, DHS increased the projection to \$774.8 million. This is \$269.9 million above that of the November 21 report. This surplus, accumulated over both years of the biennium, is primarily attributable to the higher federal matching rate for MA benefits that has been in effect during the biennium. The federal Families First Coronavirus Response Act of 2020 (FFCRA) provided a 6.2 percentage point increase to each state's Medicaid matching rate for the duration of the federal public health emergency (PHE) for the COVID-19 pandemic. While the 2021-23 GPR budget for MA was established based on the assumption that this higher rate would expire at the end of calendar year 2021, successive extensions of the PHE throughout the biennium have meant that the state has continued to receive more federal matching funds than anticipated, resulting in a reduction in GPR costs. Congress recently amended the FFCRA provision, as part of the 2023 federal appropriations act, to establish a gradual phase-out of the enhanced rate during calendar year 2023, so that the matching rate is no longer tied to the PHE. Under the revised provision, the 6.2 percentage point increase will be in effect for expenditures through the end of March of 2023, and a 5.0 percentage point increase will apply for the final quarter of the biennium.

Second, in the 2021-23 budget act, \$202.4 million was set aside in the supplemental appropriation of the Joint Committee on Finance to fund the exemption of the personal property tax if legislation were to be enacted in the 2021-22 legislative session to eliminate the tax beginning with the January, 2022, assessments. Because that did not occur, the \$202.4 million will lapse to the general fund on June 30, 2023.

The projected 2022-23 gross appropriations of our analysis exceed the amounts contained in the November 21 report by \$54.0 million. Two major items account for most of this increase. In the 2021-23 budget, credits to the EITM zone (Foxconn) were budgeted at \$37.4 million (\$28.8 million in 2021-22 and \$8.6 million in 2022-23). The \$28.8 million was not claimed in the first year of the biennium and lapsed to the general fund. That \$28.8 million and the \$8.6 million have been paid in 2022-23. In addition, an increase of \$21.4 million in 2022-23 is due to Illinois under Wisconsin's income tax reciprocity agreement with that state.

General Fund Revenues

The following sections present information related to general fund tax revenues for 2022-23 and the 2023-25 biennium. This includes a review of the U.S. economy in 2022, a summary of the national economic forecast for 2023 through 2025, and detailed general fund tax revenue estimates for the current fiscal year and the next biennium.

Review of the National Economy in 2022

This office prepared updated revenue estimates for the 2021-23 biennium in January, 2022, based on the January, 2022, S&P Global Market Intelligence (S&P Global), formerly known as IHS Markit, forecast for the U.S. economy. The forecast predicted real gross domestic product (GDP) growth of 4.1% in 2022 and 2.5% in 2023. The forecast assumed that, after the winter increase of COVID-19 infections, continued expansion of the economy in 2022 would be supported

by the transition of COVID-19 from pandemic to endemic (in which COVID-19 continues to circulate among the population more predictably), the gradual easing of supply disruptions and labor shortages, and relatively accommodative financial conditions.

The January, 2022, S&P Global forecast was based on the following assumptions. First, a winter increase in COVID-19 infections caused by the Omicron variant was predicted to temporarily slow consumer spending on certain services; however, consumer behavior was expected to adjust to the risks of living alongside repeated variants of the virus. Second, all federal 2020 pandemic relief measures, as well as the American Rescue Plan Act of 2021 (ARPA) and the Infrastructure Investment and Jobs Act of 2021 (IIJA), were incorporated into the forecast. However, the potential effects of the Build Back Better plan were not included in S&P Global's baseline forecast, as its passage was uncertain. Third, strong revenues and federal financial support provided under ARPA would prevent state and local governments from experiencing a fiscal contraction. Fourth, it was expected that the Federal Reserve would end its purchases of new U.S. Treasuries and mortgage-backed securities (MBS) by mid-March of 2022, begin raising the federal funds rate in May of 2022, and allow its holdings of securities to diminish over 2023 and 2024. Fifth, the current tariffs and trade agreements made between the U.S. and China would remain in effect. Sixth, S&P Global projected that real, trade-weighted foreign GDP would grow by 3.8% in 2022, while foreign measures of inflation were expected to decline from around 3% in 2021 and 2022 to 2.3% in 2023. Finally, the price of Brent crude oil was expected to ease to \$67 per barrel by 2025, down from the estimated \$79 per barrel in the fourth quarter of 2021.

The national economy grew less than estimated. Real growth in U.S. GDP for 2022 is now estimated at 2.0%, which is 2.1 percentage points lower than previously estimated. However, nominal GDP grew slightly more than previously forecasted, supported by high levels of inflation. S&P Global estimates that nominal U.S. GDP grew 9.2% in 2022, which is 1.0 percentage point higher than previously estimated.

At the onset of 2022, the U.S. was seeing its highest levels of COVID-19 infections since the pandemic began. However, as the seven-day average of daily cases began to fall from its January, 2022, peak, news of the COVID-19 pandemic quickly gave way to new national and global concerns.

Russia invaded Ukraine on February 24, 2022. At its onset, the war disrupted the export of certain foods and fertilizers, including wheat and corn. Together, Ukraine and Russia account for 30% of all globally traded wheat. The war initially impacted Ukraine's ability to harvest and export wheat and other crops. These pressures began to ease as the year went on, but not before having an impact on global supply. Further, the United States, in addition to the European Union and several other countries, imposed numerous sanctions on Russia, including the ban of all Russian oil and gas. On December 3, 2022, several countries, including the U.S., members of the European Union, the U.K., Canada, Japan, and Australia, set a \$60 per barrel price limit on Russian oil as a way to maintain the supply of Russian oil to the global market, while reducing the revenues the Russian Federation earns from oil sales. In response, Russian President Vladimir Putin signed a decree banning the supply of Russian oil (from February through June, 2023) to nations that abide by the limit.

On top of ongoing supply shortages stemming from the COVID-19 pandemic and the Russia-

Ukraine conflict, other supply constraints also arose in 2022. U.S. companies struggled with labor shortages throughout 2022, which made meeting consumer demand difficult. In February, 2022, Abbott, the country's largest infant formula maker, recalled multiple products and shut down its Michigan facility due to the presence of bacteria at the site. This led to significant shortages of baby formula by May. In June, the same Abbott plant was closed due to severe storms and flooding, further hindering supply. In addition, ongoing lockdowns in China due to the country's zero-COVID policy, only recently lifted in late Fall of 2022, contributed to global supply chain interruptions, including the ongoing shortage of semiconductor chips.

In response to these supply shortages and increased consumer demand from savings accumulated during the pandemic, the consumer price index (CPI) continued to surge beyond expectations. In 2022, the 12-month change in inflation reached a 40-year high of 8.5% in March, peaked at 9.1% in June, according to the Bureau of Labor Statistics (BLS), and remained elevated over the rest of the year. S&P Global now estimates that the average CPI increased to 8.0% in 2022, up from 4.2% estimated in the previous forecast. Increased energy prices were the largest drivers of the high CPI readings, followed by rising prices for food. Core CPI (which excludes food and energy prices) increased 6.2% over the year, exceeding the January, 2022, estimate by 2.0 percentage points. The price of commodities, goods such as clothing and vehicles, increased 7.6%, while the price of non-energy services increased 5.6%.

Fueled by sanctions on Russian oil and gas, energy prices increased 25% over 2022, well exceeding the previous estimate of 2.2%. Oil prices rose to a monthly peak of \$122.7 per barrel in June, then eased to \$80.9 per barrel in December. According to BLS, average gas prices increased to record highs by March, 2022 (\$4.31 per gallon for regular, unleaded gasoline), surpassing the previous high of \$4.09 per gallon in July, 2008. Prices peaked at \$5.06 per gallon in June, 2022, and ended the year at \$3.36. However, the price of diesel fuel peaked at \$5.76 per gallon in June, but remained elevated at \$4.91 in December. Increased fuel prices, especially diesel, contribute to higher transportation costs, causing retailers to increase goods prices to offset higher costs.

Food prices increased 10% over 2022, 5.8 percentage points higher than estimated in January, 2022. The largest factors contributing to the rise in food prices were continued manufacturing and transportation disruptions that began during the pandemic, and the effects of the Russia-Ukraine war on energy and grain prices. All of this together has increased processing, transportation, and labor costs, which are considered when setting the retail price of food. In addition, weather effects such as heat and drought have reduced crop outputs in certain regions. The 2022 avian flu outbreak has affected over 57 million birds in the U.S. to date, making it the largest outbreak in U.S. history, and contributing to significant price increases for eggs, in particular.

Monetary policy tightened as the Federal Reserve raised the federal funds rate seven times in 2022 (compared to the three increases estimated in the January, 2022, forecast), attempting to restore price stability. The first increase (25 basis points) occurred in March, 2022, two months earlier than projected in the previous forecast. In total, the federal funds rate was increased by 425 basis points in 2022, to a range of 4.25% to 4.50% by December, 2022. In addition, the Federal Reserve began reducing its balance sheet in June, allowing up to \$17.5 billion worth of agency debt and mortgage-backed securities and \$30 billion worth of Treasuries it holds to mature each month without reinvesting the proceeds back into the marketplace. Beginning in September, these

amounts increased to \$35 billion of MBS and \$60 billion of Treasuries per month.

In response to this monetary policy tightening, the 30-year, conventional, fixed mortgage rate increased more than anticipated in 2022, reaching an average of 6.6% in the fourth quarter (2.9 percentage points higher than estimated in January, 2022). Rising mortgage rates paired with high house prices contributed to a cooling of housing market conditions. Sales of new and existing homes, which were projected to remain flat at the time of the January, 2022, estimates, are now estimated to have declined 16.8% in 2022 compared to 2021. S&P Global indicates that single-family permits declined 7.1% in November, marking the ninth-straight month of declines, while multifamily permits fell 16.4%. Yet, the rise in house prices persisted through much of the year, only starting to decline in the fourth quarter. Annually, the average price of new and existing homes increased 16.5% and 6.2%, respectively.

The Federal Reserve has expressed its desire to achieve what it calls a "soft landing," in which its actions would successfully reduce inflation rates without causing a recession. However, as the year progressed and inflation remained persistently high, the Federal Reserve reiterated that its main goal was to return inflation to its long-run 2% target, even if that results in a recession. The combination of high inflation and monetary policy tightening had an impact on U.S. consumers' feelings of economic security. In June, 2022, the University of Michigan Consumer Sentiment index fell to 50.0 (down from 67.2 in January, 2022), its lowest level on record (since 1975). The stock market posted its worst first half since 1970, with the S&P 500 declining 20.6% through June 30. Consumer Sentiment recovered slightly to 59.7 by the end of the year, while the S&P 500 declined 19.4% in 2022.

The 2022 U.S. labor market could best be characterized as tight, with labor demand far exceeding labor supply. At its peak, there were 2.0 job openings per unemployed person (2.8 in Wisconsin). The unemployment rate fell below its pre-pandemic low to 3.5% in the third quarter, as predicted in January, 2022, and averaged 3.7% for the year. Nonfarm payrolls increased 4.1% for the year, exceeding January, 2022, expectations by 1.4 percentage points, and surpassing their pre-pandemic level in August, 2022. However, as of December, 2022, Wisconsin nonfarm payrolls were still 35,200 below their February, 2020, level. In order to recruit and retain workers in a tight labor market, employers offered pay increases to employees. As such, wage and salary disbursements increased 8.5% for the year (slightly higher than previously forecasted), with the largest gains occurring in the first half of 2022. However, personal income only increased 2.1% in 2022, as the 21.7% decline in federal transfer payments, such as stimulus checks and enhanced unemployment insurance benefits, offset much of the increase in other income sources. The U.S. labor force participation rate remained fairly stable, averaging 62.2% in 2022, while the Wisconsin labor force participation rate declined from 66.4% in January, 2022, to 64.7% in December, 2022.

Bolstered by inflation, nominal personal consumption expenditure (PCE) growth, while slowing from growth in 2021, remained robust through much of 2022. Nominal PCE grew 9.3% in 2022 (2.0 percentage points above the January, 2022, forecast), with the highest growth (11.5%) occurring in the first quarter. However, this growth came at the cost of personal savings. The savings rate (as a percentage of disposable income) declined from 11.9% in 2021 to 3.2% in 2022. The January, 2022, forecast projected modest growth (3.1%) in light vehicle sales in 2022. Instead, sales declined 8.3%, as ongoing supply chain issues continued to hamper recovery.

Several federal fiscal policies impacted the state in 2022. Wisconsin received its second payment from ARPA in May, 2022, which provided the state with \$1.27 billion of discretionary funds to be spent in response to the economic impacts of the COVID-19 pandemic. In addition, funding from the IIJA, in conjunction with the Consolidated Appropriations Act of 2022, provided funding to support major state investments in transportation and broadband, among others. On August 16, 2022, President Biden signed the Inflation Reduction Act (IRA) into law. While S&P Global acknowledges that the IRA may encourage the use of renewable energy and limit increases in the cost of prescription drugs, it only estimates modest impacts of the Act on growth and inflation.

On August 24, 2022, the U.S. Department of Education announced that it was extending the suspension on federal student loan payments through December 31, 2022. The payment pause has been extended several times since the initial suspension on March 20, 2020. In addition, the Department of Education announced targeted student loan forgiveness of up to \$10,000 (up to \$20,000 for Pell Grant recipients) for qualifying individuals. However, several lawsuits were filed challenging the legality of the student loan forgiveness plan. In November, 2022, a federal court issued an injunction blocking the plan, which halted automatic forgiveness of certain student loans that were scheduled to begin on November 14. The Biden Administration requested that the Supreme Court of the United States issue a ruling on the matter. The Court announced in December that it would begin hearing the case in February, 2023, and would issue a final ruling by June, 2023. In response, the Administration extended the suspension on federal student loan payments until 60 days after: (a) the Court's ruling; or (b) June 30, 2023, whichever comes first. According to S&P Global, the proposed cancellation of student loan debt would only result in a modest increase in near-term GDP growth.

National Economic Forecast

Under the January, 2023, forecast, S&P Global predicts a mild recession will begin in quarter one of 2023, with recovery beginning in the third quarter of this year. The peak-to-trough decline in real GDP is estimated at -0.6%. Subsequently, the forecast projects minimal real GDP growth in 2023 (0.5%), followed by growth of 1.8% in 2024 and 2.0% in 2025. S&P Global projects that both the tight labor market and high inflation will begin to ease as the effects of the Federal Reserve's tightening of financial conditions take hold. The forecast predicts that a rebound in the personal savings rate will constrain consumer spending, resulting in modest growth through 2024.

The 2023 forecast is based on the following key assumptions. First, S&P Global assumes the Public Health Emergency is extended through mid-June, 2023, and anticipates that the transition of COVID-19 from pandemic to endemic will continue, as behavior adjusts to the risks of living with numerous variants of the virus. Second, the forecast incorporates all legislation enacted prior to December 29, 2022, and assumes real discretionary funding is extended at federal fiscal year 2022 levels. It does not yet reflect the Consolidated Appropriations Act of 2023 (CAA-23) or President Biden's plan to forgive a portion of student debt. Third, state and local governments do not experience a fiscal contraction, helped by strong revenues and federal financial support provided by federal pandemic relief monies and IIJA funding. Fourth, the Federal Reserve is expected to raise its policy rate to a range of 4.75% to 5.00% by March, 2023, and allow

its balance sheet to decline by about one-third by 2024. Fifth, the forecast assumes that the current tariffs between the U.S. and China remain in effect. Sixth, growth in real, trade-weighted foreign GDP is expected to slow from 3.3% in 2022 to 1.4% in 2023, and foreign measures of inflation are expected to recede from 5.9% in 2022 to 2.3% by 2025. Meanwhile, foreign sovereign bond yields are expected to reach 2.7% in 2023 (up from 0.3% in 2020), as central banks tighten monetary policy in response to the recent surge in inflation. Seventh, the price of Brent crude oil is expected to ease from \$101 in 2022 to \$87 by 2024, despite sanctions on Russian exports and efforts of western countries to cap the price of Russian crude. Finally, S&P Global assumes that farm prices, which were elevated in 2022 due to the disruption of agricultural exports from Russia and Ukraine, will ease in 2023 as global harvests increase.

The 2023 forecast is summarized in Table 2, which reflects S&P Global's January, 2023, baseline outlook. Selected baseline projections are presented in more detail below, with alternative optimistic and pessimistic scenarios discussed thereafter.

TABLE 2

**Summary of National Economic Indicators
S&P Global Baseline Forecast, January, 2023
(\$ in Billions)**

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Nominal Gross Domestic Product	\$25,457.4	\$26,520.4	\$27,595.5	\$28,718.0
Percent Change	9.2%	4.2%	4.1%	4.1%
Real Gross Domestic Product	\$20,010.2	\$20,112.9	\$20,465.6	\$20,867.1
Percent Change	2.0%	0.5%	1.8%	2.0%
Consumer Prices (Percent Change)	8.0%	3.9%	2.2%	2.0%
Personal Income	\$21,737.5	\$22,677.0	\$23,737.2	\$24,858.3
Percent Change	2.1%	4.3%	4.7%	4.7%
Nominal Personal Consumption Expenditures	\$17,375.8	\$18,220.8	\$18,839.2	\$19,529.7
Percent Change	9.3%	4.9%	3.4%	3.7%
Economic Profits	\$2,983.3	\$2,926.5	\$2,909.3	\$2,910.8
Percent Change	7.7%	-1.9%	-0.6%	0.1%
Unemployment Rate	3.7%	4.6%	4.8%	4.5%
Total Nonfarm Payrolls (Millions)	152.0	153.1	152.8	153.5
Percent Change	4.1%	0.7%	-0.2%	0.5%
Light Vehicle Sales (Millions of Units)	13.70	14.79	15.88	16.29
Percent Change	-8.3%	7.9%	7.4%	2.6%
Sales of New and Existing Homes (Millions of Units)	5.739	4.220	4.596	5.113
Percent Change	-16.8%	-26.5%	8.9%	11.2%
Housing Starts (Millions of Units)	1.555	1.192	1.256	1.377
Percent Change	-3.1%	-23.4%	5.4%	9.7%

Consumer Prices. CPI increased by 8.0% in 2022, well above S&P Global's previous projection of 4.2%. In December, the 12-month percentage change in CPI was 6.5%, marking the sixth-straight month of deceleration that has been largely tied to declines in energy prices over the second half of 2022 (compared to the first half). Core CPI increased 6.2% in 2022, 2.0 percentage points above the January, 2022, forecast, and the 12-month change in December, 2022, was 5.7%.

S&P Global expects the average CPI to slow to 3.9% in 2023, 2.2% in 2024, and 2.0% in 2025, as energy prices decline 3.7% and 1.5% in 2023 and 2024, respectively, then increase 0.3% in 2025. In contrast to recent experience, core CPI is expected to exceed overall CPI in each of the next three years, growing 4.5%, 2.7%, and 2.4% in 2023, 2024, and 2025, respectively. The forecast predicts that core CPI growth will be driven by increases in the price of nonenergy services.

Employment. The national unemployment rate averaged 3.7% over 2022, similar to January, 2022, projections. The tightness that characterized the labor market in 2022 is expected to ease in 2023 in response to tightening monetary policy, leading the unemployment rate to increase to 4.6% in 2023 and 4.8% in 2024, then decline slightly to 4.5% in 2025. It is believed that payrolls have mostly recovered following the COVID-19 downturn in employment. S&P Global projects that payrolls will peak in the first quarter of 2023, before declining through the rest of the year. Overall, average annual nonfarm payrolls are expected to remain relatively flat through 2025, with annual percent changes of 0.7% in 2023, -0.2% in 2024, and 0.5% in 2025.

Personal Income. Personal income growth was slightly higher than expected (1.3% in the January, 2022, forecast) in 2022, at 2.1%. As anticipated, growth in wage and salary disbursements (8.5%) was offset by a decline in federal transfer payments (-21.7%). Real disposable income, on the other hand, declined 6.4% in 2022, due, in part, to high gasoline and food prices, but is projected to recover 2.7%, 3.7%, and 2.9% in 2023, 2024, and 2025, respectively, as prices decline. Going forward, personal income is forecast to grow 4.3% in 2023 and 4.7% in 2024 and 2025. S&P Global projects that wage and salary disbursements will grow at a similar pace of 4.9% in 2023, 4.3% in 2024, and 4.7% in 2025.

Real household net worth declined significantly in 2022 (-8.9%), driven by a decline in the value of equities (-23.2%). The forecast predicts that real household net worth will continue to decline 3.3% in 2023, as softer demand and higher mortgage rates put downward pressure on prices of existing homes, before beginning a slow recovery of 0.7% in 2024 and 1.5% in 2025.

Personal Consumption. Nominal PCE grew 9.3% in 2022, with growth in spending on services (9.8%) slightly outpacing spending on goods (8.2%). As a result, the shift from spending on goods to spending on services continued, with purchases of services making up 66.3% of all PCE in the fourth quarter of 2022.

S&P anticipates that nominal PCE growth will slow to 4.9% in 2023, 3.4% in 2024, and 3.7% in 2025, as inflation eases. The projected recession in early 2023, partly caused by higher financing rates and the projected rise in unemployment, is expected to result in slower consumer demand growth in 2023. As a result, real PCE growth is estimated to decline from 2.9% in 2022 to 1.5% in 2023, then remain below 2% through 2025.

Monetary Policy. As mentioned, the Federal Reserve increased the federal funds rate seven times in 2022. The most recent increase of 50 basis points in December marked a downshift in the size of rate hikes, following four consecutive 75 basis point increases. In addition, between June 15th and December 28th, 2022, the Federal Reserve reduced its balance sheet by \$348 billion to approximately \$8.1 trillion.

Going forward, two more Fed rate increases are expected in early February and mid-March, bringing the target federal funds range to between 4.75% and 5%. S&P Global anticipates that the rate will remain at this level until sufficient evidence is seen that inflation is on track to decline to 2.0% on a sustainable basis. As such, the forecast assumes that the first rate cut will occur in the second quarter of 2024. In response to these actions, it is estimated that the average commitment rate for a 30-year, conventional, fixed mortgage will increase from 5.4% in 2022 to 6.4% in 2023 (2.0 percentage points higher than the previous forecast for each year). The rate is then expected to ease to 5.7% in 2024 and 5.1% in 2025. The forecast also projects that the Federal Reserve will reduce its securities portfolio by another \$1.0 trillion in both 2023 and 2024.

Housing. While housing starts declined in 2022 (-3.1%) compared to 2021, the decline was less drastic than S&P Global estimated in the January, 2022, forecast (-7.0%). S&P Global anticipates a much larger decline in housing starts of -23.4% in 2023, before recovering 5.4% in 2024 and 9.7% in 2025. Likewise, sales of new and existing homes are expected to continue declining in 2023 (-26.5%), partly in response to rising mortgage rates, then increase 8.9% and 11.2% in 2024 and 2025, respectively.

Growth in the price of new and existing houses in 2022 exceeded expectation from the January, 2022, estimate by 5.5 and 1.4 percentage points, respectively, although the volume of sales declined relative to prior expectations. Going forward, the forecast's predictions for housing prices are varied. The average price of existing houses is expected to decline 16.4% in 2023, then grow 0.8% in 2024 and 5.0% in 2025. Conversely, average new house prices are projected to continue increasing 5.9% in 2023, 2.8% in 2024, and 3.0% in 2025.

Business Investment. S&P Global estimates that nominal nonresidential fixed investment grew 10.5% in 2022, slightly higher than the January, 2022, estimate of 9.1%. Growth in 2022 was led by investment in intellectual property products (11.5%), followed by investment in equipment (11.1%), and structures (7.3%). However, real nonresidential fixed investment only grew 3.7% for the year, with growth in intellectual property products (8.7%) and equipment (4.8%) being partially offset by a decline in investment in structures (-8.0%). The forecast anticipates that growth in nominal nonresidential fixed investment will slow to 3.9% in 2023, 1.7% in 2024, and 2.3% in 2025.

Inventories increased by \$151 billion in 2022, \$8 billion more than estimated in the January, 2022, forecast. Going forward, S&P Global projects that inventories will increase by \$9 billion in 2023, \$64.9 billion in 2024, and \$100.6 billion in 2025. The minimal increase in 2023 corresponds to the forecast's expectations that inventories will decline in quarters two and three of this year, which is consistent with the forecast of a mild recession during the first half of 2023.

International Trade. Nominal imports grew 16.4% in 2022, 8.4 percentage points more than

previously forecasted, despite imports declining in the second half of the year (compared to the first half). Likewise, nominal exports were up 17.1% in 2022, exceeding prior estimates by 7.3 percentage points. Despite slightly higher percentage growth in exports, imports saw a larger increase than exports in dollar terms, increasing the trade deficit in 2022 and reducing real GDP growth by 0.47 percentage points. S&P Global predicts that growth in exports will slow to 1.6% in 2023 and 5.3% in 2024 and 2025, but continue to grow faster than imports over the forecast period. Nominal imports are projected to decline 1.1% in 2023, then recover 1.9% and 3.5% in 2024 and 2025, respectively. Given these assumptions, the U.S. nominal balance of trade is expected to improve each year, contributing 0.47, 0.24, and 0.01 percentage points to real GDP growth in 2023, 2024, and 2025, respectively.

Corporate Profits. Corporate before-tax book profits grew by 8.7% in 2022 (in contrast to a 2.4% decline projected in the January, 2022, forecast) and are forecast to decrease by 1.9% in 2023, then increase by 0.2% in 2024 and 1.7% in 2025. Economic profits, which are adjusted for inventory valuation and capital consumption at current cost (and are not affected by federal tax laws), increased 7.7% in 2022. S&P Global forecasts that economic profits will decline 1.9% and 0.6% in 2023 and 2024, respectively, then increase just 0.1% in 2025.

The 2023 forecast assumes that the effective federal corporate tax rate for all industries was 12.9% in 2022, will increase to 14.1% in 2023, and will decline to 13.3% in 2024 and 12.7% in 2025. Under current law, the 100% bonus depreciation provision enacted by the Tax Cuts and Jobs Act of 2017 will phase out over the next five years, with the bonus depreciation percentage declining to 80% in 2023, 60% in 2024, and 40% in 2025. S&P Global predicts that this phase-out will increase the after-tax cost of capital, creating a mild headwind for investment spending in the coming years.

Fiscal Policy. The federal budget deficit is expected to decline from \$1.375 trillion in federal fiscal year 2022 to \$1.086 trillion in 2023, then grow to \$1.380 trillion in 2024 and \$1.586 trillion in 2025. S&P Global estimates that spending by the federal government detracted -0.19 percentage points from real GDP growth in 2022 (compared to -0.11 percentage points in the January, 2022, forecast), and will contribute 0.14 percentage points in 2023, 0.02 percentage points in 2024, and 0.03 percentage points in 2025. Spending by state and local governments is expected to have a larger impact, contributing 0.18, 0.12, and 0.10 percentage points to GDP growth in 2023, 2024, and 2025, respectively.

CAA-23 was signed by President Biden on December 29, 2022. The legislation authorizes \$1.7 trillion of discretionary funding for agencies in federal fiscal year 2023, a 10% increase in funding relative to the prior year, with \$849 billion appropriated for nondefense functions. CAA-23 also authorizes \$84 billion of aid for Ukraine through federal fiscal year 2027, and \$38 billion of funding through fiscal year 2032 to address natural disasters. CAA-23 is not yet included in S&P Global's forecast, and represents a modest upside risk to near-term GDP growth.

Alternative Scenarios. S&P Global's January, 2023, forecast also includes an optimistic scenario and a pessimistic scenario. Under the optimistic scenario, S&P Global assigns a 20% probability that productivity and growth of consumer spending will be stronger than assumed in the baseline forecast. It assumes that consumer and business response to the IIJA is more robust

than in the baseline forecast, and a quicker resolution to the Russia-Ukraine conflict allows for lower energy prices, with the price of Brent crude oil staying \$2 below the baseline through mid-2023. Lower energy prices and less risk aversion prompt a robust re-acceleration of consumer spending under the optimistic scenario, with annual growth in consumer spending at 2.4% in 2023 and 1.4% in 2024. In this scenario, real business fixed investment rises 1.7% in 2023, compared to 0.2% under the baseline, due to strong demand faced by businesses and elevated cashflows. Real GDP growth remains positive through 2023, compared to the baseline forecast's assumed two-quarter decline during the first half of the year, with growth of 1.4% in 2023 and 1.9% in 2024 under this scenario. Growth in core CPI remains higher than the baseline through mid-2024, at 3.7% in 2023 and 2.7% in 2024, compared to 2.6% and 2.4%, respectively, under the base forecast.

Under the pessimistic scenario, to which S&P Global assigns a 25% probability, the U.S. experiences a deeper recession with weaker consumer spending than assumed in the baseline forecast. This scenario assumes that the peak-to-trough decline in GDP will be -1.2%, compared to -0.6% in the baseline forecast, and projects that real GDP will decline 0.2% in 2023 and increase 1.2% in 2024. Real PCE declines in the first half of 2023, in contrast to a slight increase under the base forecast, with slower growth of 0.7% in both 2023 and 2024 (compared to 1.5% in 2023 and 1.2% in 2024 under the baseline forecast). In this scenario, it is assumed that the Russia-Ukraine conflict intensifies, leading to higher prices for energy commodities, other industrial commodities, and grains. The price of Brent crude oil rises to \$112 per barrel by the second quarter of 2023 (\$20 higher than the baseline), before moderating to \$102 per barrel by early 2024 (\$15 higher than the baseline). Delays in the production of consumer durable goods persist due to a slower correction of supply chain issues. This factor, in addition to weakening consumer demand, prompts businesses to scale back investment plans, with real business fixed investment declining 2.4% in 2023, 2.9% in 2024, and 0.4% in 2025. Core CPI remains above the baseline through 2023 (4.0%), then falls below the base forecast in 2024 (2.3%). Under the pessimistic scenario, the unemployment rate rises to 7.0% by early 2024.

General Fund Taxes

Table 3 shows general fund tax revenue estimates for 2022-23 and for each year of the 2023-25 biennium. Over the three-year period, these estimates are \$94.2 million lower than the projections of the November 21, 2022, report. By year, the estimates are \$60.7 million higher in 2022-23, \$74.7 million lower in 2023-24, and \$80.2 million lower in 2024-25. Over the three-year period, compared to the November 21 report, the estimates are higher for individual income taxes (\$332.6 million) and vapor products (\$4.8 million). All other general fund taxes are estimated to be lower, with the largest downward revision over the three-year period in sales and use taxes (-\$238.8 million).

TABLE 3

**Projected General Fund Tax Collections
(\$ in Millions)**

	2021-23 Biennium		2023-25 Biennium	
	2021-22	2022-23	2023-24	2024-25
	<u>Actual</u>	<u>Estimated</u>	<u>Estimated</u>	<u>Estimated</u>
Individual Income	\$9,214.4	\$9,610.0	\$9,770.0	\$10,300.0
General Sales and Use	6,978.3	7,480.0	7,600.0	7,780.0
Corporate Income/Franchise	2,960.0	2,910.0	2,850.0	2,970.0
Public Utility	383.6	391.0	372.0	377.0
Excise				
Cigarette	482.4	451.0	439.0	427.0
Tobacco Products	94.4	92.0	94.0	96.0
Vapor Products	4.1	5.6	6.2	6.8
Liquor and Wine	64.9	68.0	69.0	71.0
Beer	8.9	8.7	8.6	8.6
Insurance Company	221.8	230.0	237.0	245.0
Miscellaneous Taxes	<u>135.6</u>	<u>107.0</u>	<u>96.0</u>	<u>110.0</u>
Total	\$20,548.4	\$21,353.3	\$21,541.8	\$22,391.4
Change from Prior Year		\$804.9	\$188.5	\$849.6
Percent Change		3.9%	0.9%	3.9%

Individual Income Tax. Total individual income tax collections were \$9,214.4 million in 2021-22, a decline of 0.7% relative to the prior year, but 12.2% higher relative to the January, 2022, estimate. One reason collections were significantly above the forecasted amount that year is due to historically high levels of capital gains realizations in tax year 2021. Federal tax planning in response to proposed capital gains tax rate increases (which did not materialize) is believed to have driven capital gains realizations significantly higher during tax year 2021 than what would have otherwise occurred. Based on available data, it is estimated that total tax receipts related to long-term capital gains increased by over 35% in tax year 2021 relative to tax year 2020. Realizations in tax year 2022 are expected to be considerably lower than in 2021, owing in part to a weakened stock market in 2022 and the acceleration into 2021 of gains that would have otherwise been realized in 2022. A further decline in capital gains realizations relative to tax year 2021 is projected in tax year 2023, although realizations are anticipated to begin recovering in tax year 2024.

The impact of recently enacted state tax law changes, such as the child and dependent care expenses credit beginning in tax year 2022 and the increased amount of net capital losses that may be used annually to offset ordinary income from \$500 to \$3,000 (the same amount allowed under federal law) beginning in tax year 2023, are included in these estimates. The estimates also consider the state fiscal impact of all federal tax law changes automatically adopted to date.

Total individual income tax collections are estimated at \$9,610 million in 2022-23, which represents a 4.3% increase in revenues over the prior fiscal year. Although this estimated growth is

greater than the national personal income projection for 2022 of 2.1%, personal income includes both taxable components, such as wage and salary disbursements, and nontaxable components, such as employer contributions for employee fringe benefits and government transfer payments to individuals. The taxable components of personal income in 2022 are estimated to increase at a considerably higher rate (7.2%) than for personal income as a whole. This is largely due to the cessation in 2022 of various (non-taxable) federal transfer payments to individuals, such as stimulus checks and unemployment compensation, relative to 2021.

Based on preliminary collections information through December, 2022, individual income tax revenues for the current fiscal year are 12.9% lower than such revenues through the same period in 2021. This is primarily due to decreased withholding collections following the withholding table update that took effect January 1, 2022. However, individual income tax revenues are expected to increase at a rate of 21.1% over the next six months relative to the same period a year prior.

The primary factor for this estimated revenue increase is an expected decline in refunds paid to taxpayers in 2022-23 relative to 2021-22. The income tax rate reduction included in 2021 Act 58, which took effect beginning in tax year 2021, caused refunds to spike when taxpayers filed their corresponding income tax returns in 2021-22. However, because the income tax withholding tables were later updated beginning January 1, 2022, to reflect the rates, brackets, and standard deduction in effect for current law, the amounts withheld from taxpayers during tax year 2022 incorporated the Act 58 rate reduction for the first time. As a result, when taxpayers file the corresponding returns in Spring of 2023, their refund amounts will be lower (all else equal) than the refunds they would have received had the withholding tables not been updated.

Estimated individual income tax collections increase to \$9,770 million in 2023-24 and to \$10,300 million in 2024-25, representing annual growth of 1.7% and 5.4%, respectively. The annual growth rate is lower in 2023-24, and higher in 2024-25, than the projected growth in national personal income would suggest (4.3% in 2023 and 4.7% in 2024). One reason for this departure is the aforementioned assumption that capital gains realizations (which are generally not captured by personal income metrics) are estimated to decline further in tax year 2023, but then begin to increase in tax year 2024.

General Sales and Use Tax. State sales and use tax revenues totaled \$6,978.3 million in 2021-22, and are estimated at \$7,480 million in 2022-23. This estimate represents growth of 7.2% over the prior year, and growth of 5.2% for the remaining months of 2022-23. Sales tax collections through December, 2022, are 10.0% higher than the same period in 2021, however, much of this growth is attributable to inflation. Sales tax revenues in the next biennium are estimated at \$7,600 million in 2023-24 and \$7,780 million in 2024-25, reflecting growth of 1.6% and 2.4%, respectively. Over state fiscal years 2023, 2024, and 2025, S&P Global projects that consumer prices will increase 6.2%, 2.7%, and 1.9%, respectively. As such, the forecast estimates that real consumer spending (adjusting for inflation) will decline in 2023-24.

Corporate Income/Franchise Tax. Corporate income/franchise taxes were \$2,960.0 million in 2021-22, which was 15.6% above the previous year and outpaced inflation. Corporate tax revenues are projected to be \$2,910 million in 2022-23, \$2,850 million in 2023-24, and \$2,970 million in 2024-25, a decrease of 1.7% in 2022-23 and 2.1% in 2023-24, and an increase of 4.2% in

2024-25. The estimates reflect the anticipated decline in economic profits, as well as year-to-date corporate tax collections, which declined slightly (0.3%) compared to the same period through December of last year. The estimate also reflects the fiscal effects of law changes enacted to date, including provisions of federal tax law enacted to date that the state automatically adopts.

Forecasted corporate tax revenues are bolstered by anticipated pass-through entity (PTE) tax collections, which continue to grow. Tax-option (S) corporations and partnerships may elect, via persons holding more than 50% of the shares or capital and profits of a partnership, to be taxed at the entity level (reported under corporate tax collections) rather than generally requiring income to be passed through to their respective owners, members, or shareholders (reported under the individual income tax). Year to date, partnership PTE tax collections are \$28.3 million more than the same period last year (an increase of 46.5%). Thus, state corporate tax collections are forecast to remain at relatively high levels notwithstanding the negative outlook for economic profits.

Public Utility Taxes. Revenues from public utility taxes totaled \$383.6 million in 2021-22, and are estimated at \$391 million in 2022-23, \$372 million in 2023-24, and \$377 million in 2024-25. Year-over-year, these amounts represent an increase of 1.9% in 2022-23, a decrease of 4.9% in 2023-24, and an increase of 1.3% in 2024-25.

The growth in 2022-23 is primarily attributable to an increase in the price of electricity and natural gas services in 2022, which has increased the revenues of gross revenues utilities providing such services (private and municipal light, heat, and power companies and electric cooperatives). Data reported by Wisconsin utilities through September 30, 2022, show year-over-year growth of 40.7% for natural gas sales and 8.3% for electricity sales. However, much of the growth in collections from these utility companies is offset by declines in collections from ad valorem utility taxpayers, resulting from anticipated declines in the statewide net property tax rate. The decline in collections in 2023-24 is due to a combination of slowing electricity sales, declining natural gas sales, and a continued decline in the statewide net property tax rate. Collections are expected to recover slightly in 2024-25 as prices and property tax rates moderate.

Further, estimated tax payments from telecommunications companies are anticipated to decline during each year as the exemption enacted under 2019 Act 128 for property providing broadband internet service in rural areas continues to phase in. The exemption is estimated to reduce collections by \$12.1 million in 2022-23, \$15.3 million in 2023-24, and \$20.7 million in 2024-25.

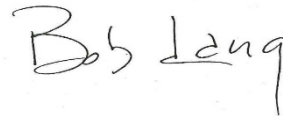
Excise Taxes. General fund excise taxes are imposed on cigarettes, liquor (including wine and hard cider), other tobacco products, vapor products, and beer. In 2021-22, excise tax collections totaled \$654.7 million, of which \$482.4 million (73.7%) was from the excise tax on cigarettes. Total excise tax collections in 2021-22 represented a decrease of -3.4% from the prior fiscal year, primarily driven by a decrease in cigarette tax collections of -5.4% from the prior year. Excise tax revenues are estimated at \$625.3 million in 2022-23, which represents decreased revenues of 4.5%. Excise tax revenues over the next biennium are estimated to decline by 1.4% to \$616.8 million in 2023-24 and by 1.2% to \$609.4 million in 2024-25. The estimates reflect the ongoing trend of declining cigarette consumption paired with only modest growth in other excise tax categories.

Insurance Premiums Taxes. Insurance premiums taxes were \$221.8 million in 2021-22. Revenues are projected to increase to \$230 million in 2022-23, \$237 million in 2023-24, and \$245 million in 2024-25. This is lower by \$7.6 million in 2022-23, \$15.9 million in 2023-24, and \$22.8 million in 2024-25 compared to the November 21, 2022, report. The new estimates are based on growth in year-to-date insurance premiums tax collections (which reflect lower growth than anticipated in November) and historic collections growth trends.

Miscellaneous Taxes. Miscellaneous taxes include the real estate transfer fee, municipal and circuit court-related fees, and a small amount from the occupational tax on coal. Miscellaneous tax revenues were \$135.6 million in 2021-22, of which 89.6% was generated from the real estate transfer fee. Based on the economic forecast for the housing sector, as well as collections through December, 2022, miscellaneous taxes are projected to decrease to \$107 million in 2022-23, which represents a 21.1% decline from 2021-22 collections. This decline is largely attributable to a decline in sales of new and existing homes in 2022 and 2023. As a result, miscellaneous tax collections are projected to decline by another 10.3% in 2023-24, to \$96 million, then increase 14.6% in 2024-25, to \$110 million, as the housing market begins to recover.

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

Sincerely,

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

Robert Wm. Lang
Director

RWL/lb

cc: Members, Wisconsin Legislature

APPENDIX B
GENERAL OBLIGATION ISSUANCE STATUS REPORT
April 1, 2023

Credit to Capital Improvement Fund

<u>Program Purpose</u>	<u>Legislative Authorization</u>	<u>General Obligations Issued to Date</u>	<u>Interest Earnings^(a)</u>	<u>Premium^(a)</u>	<u>G.O. Ref. Bonds of 2023, Series 2 & 2025, Series 1</u>	<u>Total Authorized Unissued Debt</u>
University of Wisconsin; academic facilities	\$3,564,643,100	\$2,624,057,436	\$13,084,724	\$145,764,367		\$781,736,573
University of Wisconsin; self-amortizing facilities	3,260,597,100	2,696,207,202	2,967,557	127,209,499		434,212,842
Natural resources; Warren Knowles - Gaylord Nelson stewardship 2000 program	1,178,850,000	967,214,403	410,794	45,335,504		165,889,299
Natural resources; municipal clean drinking water grants	9,800,000	9,518,744	141,818			139,438
Clean water fund program	659,783,200	655,063,494		4,641,114		78,592
Safe drinking water loan program	74,950,000	69,215,472	123	2,183,403		3,551,002
Natural resources; nonpoint source grants	94,310,400	93,954,702	190,043	165,649		6
Natural resources; nonpoint source compliance	57,050,000	43,225,376	2,498	4,582,674		9,239,452
Natural resources; environmental repair	57,000,000	52,961,855	203,594	883,312		2,951,239
Natural resources; urban nonpoint source cost-sharing	61,600,000	52,098,002	31,189	3,075,176		6,395,633
Natural resources; contaminated sediment removal	40,000,000	28,895,837		2,070,334		9,033,829
Natural resources; environmental segregated fund supported administrative facilities	19,969,200	16,529,136	161	1,468,672		1,971,231
Natural resources; segregated revenue supported dam safety projects	6,600,000	6,571,582	617	27,795		6
Natural resources; pollution abatement and sewage collection facilities, ORAP funding	145,060,325	145,010,325	50,000			
Natural resources; pollution abatement and sewage collection facilities	893,493,400	874,927,239	18,513,077			53,084
Natural resources; pollution abatement and sewage collection facilities; combined sewer overflow	200,600,000	194,312,599	6,287,401			
Natural resources; recreation projects	56,055,000	56,053,994	1,006			
Natural resources; local parks land acquisition and development	2,490,000	2,447,741	42,259			
Natural resources; recreation development	36,323,200	22,919,742	141,325	68		13,262,065
Natural resources; land acquisition	45,608,600	45,116,929	491,671			
Natural resources; Wisconsin natural areas heritage program	2,500,000	2,445,793	17,174			37,033
Natural resources; segregated revenue supported facilities	157,541,500	106,479,574	93,544	6,658,342		44,310,040
Natural resources; general fund supported administrative facilities	16,514,100	14,370,211	21,753	685,914		1,436,222
Natural resources; ice age trail	750,000	750,000				
Natural resources; dam safety projects	39,500,000	27,577,653	51,291	2,609,962		9,261,094

APPENDIX B – Continued
GENERAL OBLIGATION ISSUANCE STATUS REPORT
April 1, 2023

Credit to Capital Improvement Fund

<u>Program Purpose</u>	<u>Legislative Authorization</u>	<u>General Obligations Issued to Date</u>	<u>Interest Earnings^(a)</u>	<u>Premium^(a)</u>	<u>G.O. Ref. Bonds of 2023, Series 2 & 2025, Series 1</u>	<u>Total Authorized Unissued Debt</u>
Natural resources; segregated revenue supported land acquisition ..	\$2,500,000	\$2,500,000				
Natural resources; Warren Knowles - Gaylord Nelson stewardship program	231,000,000	229,300,317	\$1,306,879	\$144,011		\$248,793
Transportation; administrative facilities	8,890,400	8,759,479	33,943			96,978
Transportation; accelerated bridge improvements	46,849,800	46,849,800				
Transportation; major interstate bridge construction	272,000,000	235,980,986	64	34,027,801		1,991,149
Transportation; rail passenger route development	89,000,000	72,819,072	3,016	2,856,171		13,321,741
Transportation; accelerated highway improvements	185,000,000	185,000,000				
Transportation; connecting highway improvements	15,000,000	15,000,000				
Transportation; federally aided highway facilities	10,000,000	10,000,000				
Transportation; highway projects	41,000,000	41,000,000				
Transportation; major highway and rehabilitation projects	565,480,400	565,480,400				
Transportation; Southeast rehabilitation projects, southeast megaprojects, and high- cost bridge projects	1,453,550,000	1,270,487,604	3,018,078	109,000,090		71,044,228
Transportation; state highway rehabilitation projects, southeast megaprojects	820,063,700	781,604,780	1,182,897	37,275,422		601
Transportation; major highway projects	100,000,000	98,948,179		1,051,814		7
Transportation; state highway rehabilitation, certain projects	141,000,000	134,924,101		6,075,854		45
Transportation; major highway and rehabilitation projects subject to joint committee on finance approval	305,227,664	253,723,619	141,819	42,653,118		8,709,108
Transportation; southeast Wisconsin freeway megaprojects subject to contingency	20,000,000	—	94,291			19,905,709
Transportation; design-build projects	252,400,000	207,663,014		33,302,158		11,434,828
Transportation; harbor improvements	167,300,000	130,866,823	234,581	11,999,723		24,198,873
Transportation; rail acquisitions and improvements	300,300,000	218,904,993	5,187	24,045,270		57,344,550
Transportation; local roads for job preservation, state funds	2,000,000	2,000,000				
Corrections; correctional facilities	989,501,800	899,906,377	11,468,918	16,383,479		61,743,026
Corrections; self-amortizing facilities and equipment	2,116,300	2,115,438	99			763
Corrections; juvenile correctional facilities	74,443,200	28,658,996	108,861	13,745		45,661,598
Secured residential care centers for children and youth	80,000,000	564,380		110,264		79,325,356

APPENDIX B – Continued
GENERAL OBLIGATION ISSUANCE STATUS REPORT
April 1, 2023

Credit to Capital Improvement Fund

<u>Program Purpose</u>	<u>Legislative Authorization</u>	<u>General Obligations Issued to Date</u>	<u>Interest Earnings^(a)</u>	<u>Premium^(a)</u>	<u>G.O. Ref. Bonds of 2023, Series 2 & 2025, Series 1</u>	<u>Total Authorized Unissued Debt</u>
Health services; mental health and secure treatment facilities	\$358,796,500	\$209,409,039	\$895,996	\$8,305,236		\$140,186,229
Agriculture; soil and water	82,075,000	71,985,173	9,110	4,769,441		5,311,276
Agriculture; conservation reserve enhancement	28,000,000	20,988,178	3,160	1,065,484		5,943,178
Administration; Black Point Estate ..	1,600,000	1,598,655	445			900
Administration; energy conservation projects; capital improvement fund ..	270,000,000	175,092,621		12,407,686		82,499,693
Building commission; previous lease rental authority	143,071,600	143,068,654				2,946
Building commission; refunding tax-supported general obligation debt	2,102,086,430	2,102,086,530				
Building commission; refunding self-amortizing general obligation debt	272,863,033	272,863,033				
Building commission; refunding tax-supported and self-amortizing general obligation debt incurred before June 30, 2005	250,000,000	250,000,000				
Building commission; refunding tax-supported and self-amortizing general obligation debt incurred before July 1, 2011	474,000,000	473,651,084				348,916
Building commission; refunding tax-supported and self-amortizing general obligation debt incurred before July 1, 2013	264,200,000	263,420,000				780,000
Building commission; refunding tax-supported and self-amortizing general obligation debt	9,510,000,000	7,614,796,046			\$450,000,000 *	1,445,203,954 *
Building commission; housing state departments and agencies	967,725,300	774,998,224	2,356,097	41,918,320		148,452,659
Building commission; 1 West Wilson street parking ramp	15,100,000	14,805,521	294,479			
Building commission; project contingencies	47,961,200	47,476,072	64,761	224,362		196,005
Building commission; capital equipment acquisition	125,660,000	123,961,256	740,327	343,697		614,720
Building commission; discount sale of debt	90,000,000	73,492,486				16,507,514
Building commission; discount sale of debt (higher education bonds)	100,000,000	99,988,833 ^(b)				11,167
Building commission; other public purposes	3,313,406,900	2,670,621,810	8,728,619	106,611,238		527,445,233
Medical College of Wisconsin, Inc.; basic science education and health information technology facilities	\$10,000,000	\$10,000,000				
Norskedalen Nature and Heritage Center	1,048,300					1,048,300
Bond Health Center	1,000,000	983,307		\$16,682		11
Lac du Flambeau Indian Tribal Cultural Center	250,000	210,495		39,504		1
Dane County; livestock facilities	9,000,000	7,577,838		1,422,134		28

APPENDIX B – Continued
GENERAL OBLIGATION ISSUANCE STATUS REPORT
April 1, 2023

Credit to Capital Improvement Fund

<u>Program Purpose</u>	<u>Legislative Authorization</u>	<u>General Obligations Issued to Date</u>	<u>Interest Earnings^(a)</u>	<u>Premium^(a)</u>	<u>G.O. Ref. Bonds of 2023, Series 2 & 2025, Series 1</u>	<u>Total Authorized Unissued Debt</u>
K I Convention Center.....	\$2,000,000	\$1,725,394		\$274,522		\$84
HR Academy, Inc.	1,500,000	1,500,000				
Medical College of Wisconsin, Inc.; biomedical research and technology incubator.....	45,000,000	33,909,754		926,706		10,163,540
AIDS Resource Center of Wisconsin, Inc.	800,000	800,000				
Bradley Center Sports and Entertainment Corporation	5,000,000	4,869,946		130,053		1
Medical College of Wisconsin; community medical education facilities	7,384,300	6,492,285	\$3,011	785,418		103,586
Family justice center.....	10,625,000	9,109,385		1,515,566		49
Marquette University; dental clinic and education facility.....	25,000,000	23,942,583	818	1,056,495		104
Civil War exhibit at the Kenosha Public Museums	500,000	500,000				
AIDS Network, Inc.	300,000	300,000				
Wisconsin Maritime Center of Excellence.....	5,000,000	4,383,263		616,673		64
Hmong cultural centers.....	1,000,000	1,000,000				
Milwaukee Police Athletic League; youth activities center	250,000	250,000				
Children's research institute.....	10,000,000	10,000,000				
Domestic Abuse Intervention Services, Inc.	560,000	476,628		83,327		45
Carroll University	3,000,000	2,393,760		403,102		203,138
Wisconsin Agricultural Education Center, Inc.	5,000,000	4,522,862		477,090		48
Eau Claire Confluence Arts, Inc.	15,000,000	13,461,714		1,537,698		588
Psychiatric and behavioral health treatment beds; Marathon County	5,000,000					5,000,000
Administration; school educational technology infrastructure financial assistance	71,911,300	71,480,216	431,066			18
Myrick Hixon EcoPark, Inc.	500,000	500,000				
Madison Children's Museum	250,000	250,000				
Administration; public library educational technology infrastructure financial assistance	269,000	268,918	42			40
Educational communications board; educational communications facilities	5,000,000	4,104,366	38,515	895,560		(38,441)
La Crosse Center	5,000,000	4,245,324		754,625		51
St. Ann Center for Intergenerational Care, Inc., Bucyrus Campus	5,000,000	4,121,792		740,204		138,004
Brown County innovation center.....	5,000,000	3,013,617		318,905		1,667,478
Beyond Vision; VisABILITY Center.....	25,000,000	2,244,933		218,578		22,536,489
Building Commission; projects	15,000,000	4,446,566		434,457		10,118,977
Building Commission; center.....	40,000,000					40,000,000
Museum of nature and culture	24,169,000	24,112,683		11,925		44,392

APPENDIX B – Continued
GENERAL OBLIGATION ISSUANCE STATUS REPORT
April 1, 2023

Credit to Capital Improvement Fund

<u>Program Purpose</u>	<u>Legislative Authorization</u>	<u>General Obligations Issued to Date</u>	<u>Interest Earnings^(a)</u>	<u>Premium^(a)</u>	<u>G.O. Ref. Bonds of 2023, Series 2 & 2025, Series 1</u>	<u>Total Authorized Unissued Debt</u>
Grand Opera House in Oshkosh	\$500,000	\$500,000				
Aldo Leopold climate change classroom and interactive laboratory	500,000	485,000		\$14,992		\$8
Historical society; self-amortizing facilities	1,029,300	1,029,156	\$3,896			
Historical society; historic records	26,650,000	22,951,919	137	3,169,487		528,457
Historical society; historic sites	17,912,800	9,252,929	847	329,933		8,329,091
Historical society; museum facility	74,384,400	4,362,469				70,021,931
Historical society; Wisconsin history center	16,000,000	8,642,568	457	1,360,780		5,996,195
Public instruction; state school, state center and library facilities	37,350,600	11,845,469	32,509	467,826		25,004,796
Military affairs; armories and military facilities	81,922,400	45,382,093	198,829	2,284,997		34,056,481
Veterans affairs; veterans facilities	27,359,900	11,715,719	50,593	375,152		15,218,436
Veterans affairs; self-amortizing mortgage loans	2,122,542,395	2,122,542,395				
Veterans affairs; refunding bonds	1,015,000,000	761,594,245				253,405,755
Veterans affairs; self-amortizing facilities	94,271,100	52,275,620	2,427	5,964,875		36,028,178
State fair park board; board facilities	14,787,100	14,769,363	1			17,736
State fair park board; housing facilities	11,000,000	10,999,985	15			
State fair park board; self-amortizing facilities	55,187,100	52,699,335	22,401	13,596		2,451,768
Total	<u>\$39,230,472,34</u>	<u>\$33,043,532,50</u>	<u>\$74,220,810</u>	<u>\$868,587,031</u>	<u>\$450,000,000 *</u>	<u>\$4,794,131,998 *</u>

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

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

*Preliminary; subject to change.

Source: Department of Administration

APPENDIX C

EXPECTED FORMS OF BOND COUNSEL OPINIONS

On the respective delivery dates for each series of the Bonds, it is expected that Foley & Lardner LLP will deliver legal opinions in substantially the following forms:

(Letterhead of Foley & Lardner LLP)

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

§ *

STATE OF WISCONSIN

GENERAL OBLIGATION REFUNDING BONDS OF 2023, SERIES 2

We have acted as bond counsel in connection with the issuance by the State of Wisconsin (**State**) of its § * General Obligation Refunding Bonds of 2023, Series 2, dated the date hereof (**2023 Series 2 Bonds**). The 2023 Series 2 Bonds are authorized by Article VIII of the Wisconsin Constitution and Chapters 18 and 20 of the Wisconsin Statutes, and are being issued pursuant to a resolution adopted by the State of Wisconsin Building Commission (**Commission**) on May 4, 2022 (**Resolution**).

We examined the law, a certified copy of the proceedings relating to the issuance of the 2023 Series 2 Bonds, and certifications of public officials and others. As to questions of fact material to our opinion, we relied upon those certified proceedings and certifications without independently undertaking to verify them.

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

1. The 2023 Series 2 Bonds are valid and binding general obligations of the State.
2. The Resolution has been duly adopted by the Commission and is a valid and binding obligation of the State, enforceable upon the State as provided in the Resolution.
3. The full faith, credit, and taxing power of the State are irrevocably pledged to the payment of the principal of, and premium, if any, and interest on, the 2023 Series 2 Bonds as the 2023 Series 2 Bonds mature and become due. There has been irrevocably appropriated, as a first charge upon all revenues of the State, a sum sufficient for such purpose.
4. Interest on the 2023 Series 2 Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, interest on the 2023 Series 2 Bonds is taken into account in determining “adjusted financial statement income” for purposes of computing the federal alternative minimum tax imposed on certain corporations for taxable years beginning after December 31, 2022. The State must comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied after the 2023 Series 2 Bonds are issued for interest on the 2023 Series 2 Bonds to be, or continue to be, excluded from gross income for federal income tax purposes. The State has agreed to do so. A failure to comply may cause interest on the 2023 Series 2 Bonds to be included in gross income for federal income tax purposes, in some cases retroactively to the date the 2023 Series 2 Bonds were issued. We express no opinion about other federal tax law consequences regarding the 2023 Series 2 Bonds.

*Preliminary; subject to change.

The rights of the owners of the 2023 Series 2 Bonds and the enforceability of the 2023 Series 2 Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights and by equitable principles (which may be applied in either a legal or an equitable proceeding). This letter expresses no opinion as to the availability of any particular form of judicial relief.

We have not been engaged or undertaken to review the accuracy, completeness, or sufficiency of the Official Statement dated _____, 2023 or other offering material relating to the 2023 Series 2 Bonds (except to the extent, if any, stated in the Official Statement), and we express no opinion as to those matters (except only the matters set forth as our opinion in the Official Statement).

This letter speaks as of its date. We assume no duty to change this letter to reflect any facts or circumstances that later come to our attention or any changes in law. In acting as bond counsel, we have established an attorney-client relationship solely with the State.

Very truly yours,

Foley & Lardner LLP

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

§ *

STATE OF WISCONSIN

GENERAL OBLIGATION REFUNDING BONDS OF 2025, SERIES 1 (FORWARD DELIVERY)

We have acted as bond counsel in connection with the issuance by the State of Wisconsin (**State**) of its § * General Obligation Refunding Bonds of 2025, Series 1 (Forward Delivery), dated the date hereof (**2025 Series 1 Bonds**). The 2025 Series 1 Bonds are authorized by Article VIII of the Wisconsin Constitution and Chapters 18 and 20 of the Wisconsin Statutes, and are being issued pursuant to a resolution adopted by the State of Wisconsin Building Commission (**Commission**) on May 4, 2022 (**Resolution**).

We examined the law, a certified copy of the proceedings relating to the issuance of the 2025 Series 1 Bonds, and certifications of public officials and others. As to questions of fact material to our opinion, we relied upon those certified proceedings and certifications without independently undertaking to verify them.

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

1. The 2025 Series 1 Bonds are valid and binding general obligations of the State.
2. The Resolution has been duly adopted by the Commission and is a valid and binding obligation of the State, enforceable upon the State as provided in the Resolution.
3. The full faith, credit, and taxing power of the State are irrevocably pledged to the payment of the principal of, and premium, if any, and interest on, the 2025 Series 1 Bonds as the 2025 Series 1 Bonds mature and become due. There has been irrevocably appropriated, as a first charge upon all revenues of the State, a sum sufficient for such purpose.
4. Interest on the 2025 Series 1 Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, interest on the 2025 Series 1 Bonds is taken into account in determining “adjusted financial statement income” for purposes of computing the federal alternative minimum tax imposed on certain corporations. The State must comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied after the 2025 Series 1 Bonds are issued for interest on the 2025 Series 1 Bonds to be, or continue to be, excluded from gross income for federal income tax purposes. The State has agreed to do so. A failure to comply may cause interest on the 2025 Series 1 Bonds to be included in gross income for federal income tax purposes, in some cases retroactively to the date the 2025 Series 1 Bonds were issued. We express no opinion about other federal tax law consequences regarding the 2025 Series 1 Bonds.

The rights of the owners of the 2025 Series 1 Bonds and the enforceability of the 2025 Series 1 Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors’ rights and by equitable principles (which may be applied in either a legal or an equitable proceeding). This letter expresses no opinion as to the availability of any particular form of judicial relief.

*Preliminary; subject to change.

We have not been engaged or undertaken to review the accuracy, completeness, or sufficiency of the Official Statement dated _____, 2023, the Updated Official Statement dated _____, 2025, or other offering material relating to the 2025 Series 1 Bonds (except to the extent, if any, stated in such Official Statement or Updated Official Statement), and we express no opinion as to those matters (except only the matters set forth as our opinion in such Official Statement or Updated Official Statement).

This letter speaks as of its date. We assume no duty to change this letter to reflect any facts or circumstances that later come to our attention or any changes in law. In acting as bond counsel, we have established an attorney-client relationship solely with the State.

Very truly yours,

Foley & Lardner LLP

APPENDIX D
REFUNDED BONDS*

Series	Dated Date	Principal Amount	Interest Rate	Maturity	CUSIP^(a)	Purchase or Redemption Date	Purchase or Redemption Price
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(a) CUSIP numbers have been obtained from sources the State believes to be reliable, but the CUSIP numbers are subject to change after issuance of the Refunded Bonds, and the State takes no responsibility for the correctness of the CUSIP numbers.

*Preliminary; subject to change.

APPENDIX E
FORM OF DELAYED DELIVERY CONTRACT

Morgan Stanley & Co. LLC

[Date]

Re: \$ _____ * State of Wisconsin General Obligation Refunding Bonds of 2025, Series 1 (Forward Delivery) (**Bonds**)

Ladies and Gentlemen:

The undersigned (**Purchaser**) hereby agrees to purchase from the above referenced underwriter (**Representative**), as representative of itself and the underwriters set forth in the Forward Delivery Purchase Agreement (defined below) (**Underwriters**) when, as, and if issued and delivered to the Underwriters by the State of Wisconsin (**State**), and the Representative agrees to sell to the Purchaser:

<u>Par Amount</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>CUSIP Number</u>	<u>Yield</u>	<u>Price</u>
-------------------	----------------------	----------------------	---------------------	--------------	--------------

of the above-referenced Bonds (**Purchased Bonds**) offered by the State under the Preliminary Official Statement dated April 11, 2023 (**Preliminary Official Statement**) and the Official Statement relating to the Bonds dated _____, 2023 (**Official Statement**), at the purchase price and with the interest rates, principal amounts, and maturity dates shown above, and on the further terms and conditions set forth in this Delayed Delivery Contract. The Purchaser will review the Official Statement when delivered to it by the Representative. The Bonds are being purchased by the Underwriters pursuant to a Forward Delivery Purchase Agreement between the State and the Underwriters (**Forward Delivery Purchase Agreement**). Capitalized terms used but not defined herein shall have the meanings ascribed thereto in the Preliminary Official Statement.

The Purchaser hereby confirms that it has reviewed the Preliminary Official Statement (including without limitation the section entitled “UNDERWRITING – Certain Forward Delivery Considerations, Acknowledgments, and Risks” therein), will review the Official Statement, has considered the risks associated with purchasing the Purchased Bonds, and is duly authorized to purchase the Purchased Bonds. The Purchaser further acknowledges and agrees that the Purchased Bonds are being sold on a “forward” basis, and the Purchaser hereby purchases and agrees to accept delivery of such Bonds from the Underwriters on _____, 2025, or on such later date (no later than April 30, 2025) as is mutually agreed upon by the State and the Representative (**Forward Settlement Date**) as they may be issued and delivered as described in the Preliminary Official Statement and the Official Statement.

Payment for the Purchased Bonds shall be made to the Representative or upon its order on the Forward Settlement Date upon delivery to the Purchaser of the Purchased Bonds through the book-entry system of The Depository Trust Company. The Purchaser agrees that in no event shall the Underwriters be responsible or liable

for any claim or loss, whether direct or consequential, which the Purchaser may suffer in the event the State does not for any reason issue and deliver the Purchased Bonds.

Upon settlement of the purchase and sale of the Bonds pursuant to the Forward Delivery Purchase Agreement, the obligation of the Purchaser to take delivery of the Purchased Bonds hereunder shall be unconditional. The Purchaser may terminate its obligation to purchase the Purchased Bonds in the event that between the Preliminary Closing Date and the Forward Settlement Date, one of the following shall have occurred and the Purchaser has notified the Underwriters in writing as provided herein:

1. any Change in Law (defined below) shall have occurred;
2. the Official Statement, as of its date (or, if amended within the period ending 60 days after the Preliminary Closing Date, then as of the date of such amendment), or the Updated Official Statement, as of its date (or, if amended, then as of the date of such amendment), contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading;
3. Bond Counsel does not deliver an opinion on the Forward Settlement Date either (i) substantially in the form and to the effect set forth in Appendix C to the Official Statement or (ii) which, notwithstanding a Change in Law that prevents Bond Counsel from issuing an opinion substantially in the form and to the effect set forth in Appendix C to the Official Statement, states that the interest on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals;
4. the State shall have defaulted in the payment of its general obligation debt; or
5. any rating of the Bonds by Kroll Bond Rating Agency, LLC, Moody's Investors Service, Inc., or S&P Global Ratings has been withdrawn or suspended.

A Change in Law means (i) any change in or addition to applicable federal or state law, whether statutory or as interpreted by the courts or by federal or state agencies, including any changes in or new rules, regulations or other pronouncements or interpretations by federal or state agencies, (ii) any legislation enacted by the Congress of the United States (if such enacted legislation has an effective date that is on or before the Forward Settlement Date), (iii) any law, rule or regulation enacted by any governmental body, department or agency (if such enacted law, rule or regulation has an effective date that is on or before the Forward Settlement Date), or (iv) any judgment, ruling or order issued by any court or administrative body, which in any such case would (A) as to the Underwriters, prohibit the Underwriters from completing the underwriting of the Bonds as provided in the Forward Delivery Purchase Agreement or selling the Bonds or beneficial ownership interests therein to the public or (B) as to the State, make the issuance, sale or delivery of the Bonds illegal; provided, however, that such change in or addition to law, legislation, law, rule or regulation or judgment, ruling or order shall have become effective, been enacted, or been issued, as the case may be, after the date of the Forward Delivery Purchase Agreement.

If a modification of law involves the enactment of legislation that only diminishes the value of, as opposed to eliminating the exclusion from gross income for federal income tax purposes of, interest payable on "state or local bonds," the State may, nonetheless, be able to satisfy the requirements for the delivery of the Bonds, and as such, such modification of law would not be a "Change of Law" as defined herein. In such event, the Underwriters would be obligated to purchase the Bonds from the State, and the Purchaser would be required to accept delivery of the Purchased Bonds from the Underwriters.

The Purchaser acknowledges and agrees that the Bonds are being sold on a "forward" or "delayed delivery" basis for delivery on the Forward Settlement Date and that the Purchaser is obligated to take up and pay for the Purchased Bonds on the Forward Settlement Date unless the Underwriters terminate the Forward Delivery Purchase Agreement or the Purchaser terminates its obligation to purchase the Purchased Bonds as described

herein. To effect a termination by the Purchaser, the Purchaser acknowledges and agrees that it must give written notice of termination of this Delayed Delivery Contract to the Representative before the Forward Settlement Date. The Purchaser understands and agrees that no termination of the obligation of the Purchaser may occur after the Forward Settlement Date. The Purchaser is not a third party beneficiary under the Forward Delivery Purchase Agreement and has no rights to enforce, or cause the Underwriters to enforce, any of the terms thereof. The Purchaser acknowledges that it will not be able to withdraw its order except as described herein, and will not otherwise be excused from performance of its obligations to take up and pay for the Purchased Bonds on the Forward Settlement Date because of market or credit changes, including specifically, but not limited to (a) changes in the ratings assigned to the Bonds between the Preliminary Closing Date and the Forward Settlement Date or changes in the credit associated with the Bonds generally, and (b) changes in the financial condition, operations, performance, properties or prospects of the State from the Preliminary Closing Date to the Forward Settlement Date. The Purchaser acknowledges and agrees that it will remain obligated to purchase the Purchased Bonds in accordance with the terms hereof, even if the Purchaser decides to sell Purchased Bonds following the date hereof, unless the Purchaser sells Purchased Bonds to another institution with the prior written consent of the Representative and such institution provides a written acknowledgment of confirmation of purchase order and a delayed delivery contract in the same respective forms as those executed by the Purchaser.

The Purchaser represents and warrants that, as of the date of this Delayed Delivery Contract, the Purchaser is not prohibited from purchasing the Purchased Bonds hereby agreed to be purchased by it under the laws of the jurisdiction to which the Purchaser is subject.

This Delayed Delivery Contract will inure to the benefit of and be binding upon the parties hereto and their respective successors, but will not be assignable by either party without the prior written consent of the other.

The Purchaser acknowledges that the Representative is entering into the Forward Delivery Purchase Agreement with the State to purchase the Bonds in reliance in part on the performance by the Purchaser of its obligations hereunder.

This Delayed Delivery Contract may be executed by either of the parties hereto in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument under the laws of the State of New York.

It is understood that the acceptance by the Representative of any Delayed Delivery Contract (including this one) is in the Representative's sole discretion and that, without limiting the foregoing, acceptances of such contracts need not be on a first-come, first-served basis. If this Delayed Delivery Contract is acceptable to the Representative, it is requested that the Representative sign the form of acceptance below and mail or deliver one of the counterparts hereof to the Purchaser at its address set forth below. This will become a binding contract between the Representative and the Purchaser when such counterpart is so mailed or delivered by the Representative. This Delayed Delivery Contract does not constitute a customer confirmation pursuant to Rule G-15 of the Municipal Securities Rulemaking Board.

This Delayed Delivery Contract shall be construed and administered under the laws of the State of New York.

[Signature Page to Follow]

Purchaser

By: _____

Name: _____

Title: _____

Address

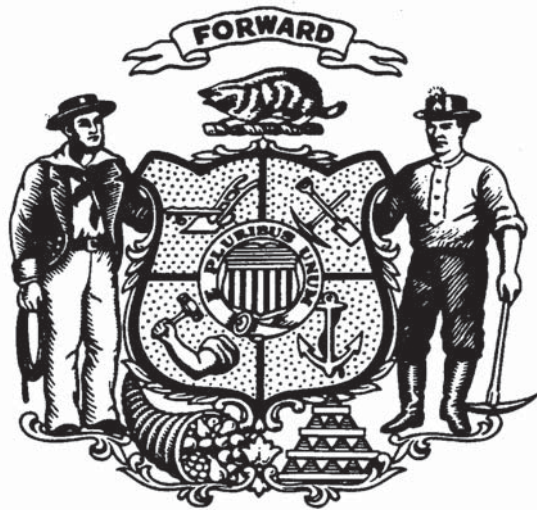
Telephone

Accepted as of _____, 2023

Morgan Stanley & Co. LLC, on behalf of the Underwriters

Name: _____

Title: _____



APPENDIX B

FORM OF PRICING NOTICE

**RELATING TO THE
INVITATION TO TENDER BONDS DATED April 11, 2023
made by
STATE OF WISCONSIN**

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

STATE OF WISCONSIN

General Obligation Refunding Bonds of 2015, Series 1
General Obligation Bonds of 2016, Series A
General Obligation Refunding Bonds of 2016, Series 2
General Obligation Bonds of 2017, Series A
General Obligation Refunding Bonds of 2017, Series 1
General Obligation Bonds of 2017, Series B
General Obligation Refunding Bonds of 2017, Series 3
General Obligation Bonds of 2018, Series A
General Obligation Bonds of 2018, Series B

General Obligation Bonds of 2019, Series A
General Obligation Bonds of 2019, Series B
General Obligation Bonds of 2020, Series A
General Obligation Bonds of 2021, Series A
General Obligation Refunding Bonds of 2019, Series 1 (Taxable)
General Obligation Refunding Bonds of 2020, Series 2 (Taxable)
General Obligation Refunding Bonds of 2020, Series 3 (Taxable)
General Obligation Refunding Bonds of 2021, Series 3 (Taxable)

The purpose of this Pricing Notice, dated [_____], 2023 (the "Pricing Notice") is to either confirm or amend the Purchase Prices for the Tax-Exempt Bonds, and the Fixed Spreads for the Taxable Bonds, subject to the Tender Offer (hereinafter defined). [Except as provided below with respect to the Benchmark Treasury Securities, all] [All] other terms relating to the Tender Offer remain unchanged.

Pursuant to the Invitation to Tender Bonds dated April 11, 2023 (as it may be amended or supplemented, the "**Tender Offer**"), the State of Wisconsin, acting through the State of Wisconsin Building Commission (the "**State**"), invited offers to tender Bonds for cash, (a) with respect to the Taxable Bonds, at the applicable purchase prices based on a fixed spread to be added to the yields on certain benchmark United States Treasury Securities set forth in this Pricing Notice, and (b) with respect to the Tax-Exempt Bonds, at the applicable purchase prices set forth in this Pricing Notice, plus, in each case, Accrued Interest on the Bonds tendered for purchase to but not including the Settlement Date. All terms used herein and not otherwise defined are used as defined in the Tender Offer.

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

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

The Tender Offer, including the Preliminary Official Statement relating to the State of Wisconsin General Obligation Refunding Bonds of 2023, Series 2 and General Obligation Refunding Bonds of 2025, Series 1 (Forward Delivery) is available: (i) at the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access website, currently located at <http://emma.msrb.org>, using the CUSIP numbers for the Bonds, and (ii) on the website of the Information Agent at www.globic.com/wisconsin.

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

TENDER OFFER – PURCHASE PRICES (TAX-EXEMPT BONDS)

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

[INSERT TABLE]

TENDER OFFER – YIELD SPREADS (TAXABLE BONDS)

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

[INSERT TABLE]

The yields on the Benchmark Treasury Securities will be determined at [10:00 AM], New York City time, on [____], [____], 2023.

Example based on the following closing yields for the Benchmark Treasury Securities as of [____], 2023 and the Fixed Spreads: The tables below provide an example of the Purchase Price realized by a Bondholder that submits an offer based on the following yields for the Benchmark Treasury Securities as of [____], 2023 and the Fixed Spreads. This example is being provided for convenience only and is not to be relied upon by a Bondholder as an indication of the Purchase Yield or Purchase Price that may be paid by the State.

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

[INSERT TABLE]

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

[INSERT TABLE]