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.

$495,425,000
STATE OF WISCONSIN
GENERAL OBLIGATION REFUNDING BONDS OF 2023, SERIES 2

Dated: Date of Delivery **Due: May 1, as shown below**

Ratings	AAA Kroll Bond Rating Agency, LLC
	Aa1 Moody's Investors Service, Inc.
	AA+ 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 9*. Interest on the Bonds is not exempt from current State of Wisconsin income or franchise taxes—*See page 10*.
Redemption	The Bonds maturing on or after May 1, 2034 are callable at par on May 1, 2033 or any date thereafter —*See page 3.*
Security	General obligations of the State of Wisconsin—*See page 3.*
Purpose	Bond proceeds are being used for the current refunding (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
Delivery	On or about May 11, 2023
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 4*.
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 below were determined on April 27, 2023 at negotiated sale.

CUSIP	Due (May 1)	Principal Amount	Interest Rate	Yield at Issuance	Price at Issuance	First Optional Call Date (May 1)	Call Price
97705M A70	2027	$3,340,000	5.00%	2.47%	109.515	Not Callable	–
97705M A88	2028	2,320,000	5.00	2.46	111.818	Not Callable	–
97705M A96	2029	30,910,000	5.00	2.46	114.027	Not Callable	–
97705M B20	2030	8,190,000	5.00	2.45	116.251	Not Callable	–
97705M B38	2031	34,115,000	5.00	2.50	117.967	Not Callable	–
97705M B46	2032	37,610,000	5.00	2.54	119.625	Not Callable	–
97705M B53	2033	41,475,000	5.00	2.57	121.255	Not Callable	–
97705M B61	2034	80,460,000	5.00	2.63	120.669	2033	100%
97705M B79	2035	62,685,000	5.00	2.79	119.122	2033	100
97705M B87	2036	73,420,000	5.00	2.98	117.315	2033	100
97705M B95	2037	48,460,000	5.00	3.15	115.725	2033	100
97705M C29	2038	39,945,000	5.00	3.26	114.711	2033	100
97705M C37	2039	31,390,000	5.00	3.32	114.162	2033	100
97705M C45	2040	350,000	5.00	3.37	113.707	2033	100
97705M C52	2041	365,000	5.00	3.40	113.435	2033	100
97705M C60	2042	390,000	5.00	3.43	113.164	2033	100

Morgan Stanley **Loop Capital Markets**

Academy Securities **Stifel** **Wells Fargo Securities**

April 27, 2023

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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 front cover hereof and such public offering prices may be changed from time to time by the Underwriters.

TABLE OF CONTENTS

	Page
STATE OFFICIALS PARTICIPATING IN ISSUANCE AND SALE OF THE BONDS	ii
SUMMARY DESCRIPTION OF BONDS	iii
INTRODUCTION	1
THE STATE	1
PLAN OF REFUNDING	2
General	2
Invitation to Tender Bonds	2
Current Refunding	2
THE BONDS	3
General	3
Security	3
Redemption Provisions	3
Registration and Payment of Bonds	4
Ratings	4
Sources and Uses of Funds	4
Book-Entry-Only Form	4
UNDERWRITING	5
General	5
Priority of Allocations of Bonds	6
OTHER INFORMATION	6
Limitations on Issuance of General Obligations	6
Borrowing Plans for Calendar Year 2023	7
Reference Information About the Bonds	8
Municipal Advisor	8
Legal Investment	8
Legal Opinions	9
TAX MATTERS	9
Tax Exemption	9
State Tax Considerations	10
CONTINUING DISCLOSURE	11
APPENDIX A—CERTAIN INFORMATION ABOUT THE STATE	A-1
APPENDIX B—GENERAL OBLIGATION ISSUANCE STATUS REPORT	B-1
APPENDIX C—EXPECTED FORM OF BOND COUNSEL OPINION	C-1
APPENDIX D—REFUNDED BONDS	D-1

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

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

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

SUMMARY DESCRIPTION OF BONDS

Selected information is presented on this page for the convenience of the reader. To make an informed investment decision regarding the Bonds, a prospective investor should read the entire Official Statement.	
Principal Amount:	$495,425,000
Description:	State of Wisconsin General Obligation Refunding Bonds of 2023, Series 2
Denominations:	Multiples of $5,000
Date of Issue:	Date of delivery (on or about May 11, 2023)
Record Date:	April 15 and October 15
Interest Payments:	May 1 and November 1, beginning November 1, 2023
Maturities:	May 1, 2027-42—*See front cover.*
Redemption:	*Optional*—The Bonds maturing on or after May 1, 2034 are callable at par on May 1, 2033 or any date thereafter—*See page 3.*
Form:	Book-entry-only—*See page 4.*
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—*See page 6.*
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 (by purchasing Tendered Bonds pursuant to the Invitation) of general obligation bonds previously issued by the State for general governmental purposes—*See page 2.*
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—*See page 9.* Interest on the Bonds is not exempt from current State of Wisconsin income or franchise taxes—*See page* 10.
Legal Opinion:	Validity and tax opinion to be provided by Foley & Lardner LLP—*See page C-1.*
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.

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OFFICIAL STATEMENT
$495,425,000
STATE OF WISCONSIN
GENERAL OBLIGATION REFUNDING BONDS OF 2023, SERIES 2

INTRODUCTION

This Official Statement provides information about the $495,425,000 General Obligation Refunding Bonds of 2023, Series 2 **(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 March 31, 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 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 **(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 $547,125,000. 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 Bonds (**Settlement Date**).

Pursuant to the Invitation, the owners of the Invited Bonds were invited to tender their Invited Bonds (**Tendered Bonds**) for cash and, subject to the conditions set forth in the Invitation, the State indicated its expectation 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 Refunded Bonds will be canceled on the Settlement Date and will no longer be deemed outstanding. Funds to pay the purchase price of the Refunded Bonds, and to pay the costs of the Invitation, are expected to be provided from the proceeds of the 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.

Current Refunding

Upon delivery of the Bonds, the proceeds of the Bonds will be deposited into the State's Bond Security and Redemption Fund. The proceeds of the Bonds will be used to pay the purchase price of the Refunded Bonds on the Settlement Date.

The proceeds of the Bonds deposited into the Bond Security and Redemption Fund may be expended only for the purchase price of the Refunded Bonds.

THE BONDS

General

The 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 date of delivery (expected to be May 11, 2023) and will bear interest from that date, payable on May 1 and November 1 of each year, beginning on November 1, 2023.

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 Bonds maturing on or after May 1, 2034 may be redeemed on May 1, 2033, 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.

Selection of Bonds

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

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

Notice of Redemption

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

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

Registration and Payment of Bonds

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

Ratings

The following ratings have been assigned to the Bonds:

Rating	Rating Organization
AAA	Kroll Bond Rating Agency, LLC
Aa1	Moody's Investors Service, Inc.
AA+	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	
Principal Amount	$495,425,000.00
Original Issue Premium	88,004,620.70
TOTAL SOURCES	$583,429,620.70
Uses	
Deposit to Bond Security and Redemption Fund	$579,295,751.94
Underwriters' Discount	2,182,781.47
Costs of Issuance	1,951,087.29
TOTAL USES	$583,429,620.70

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 Bonds from the State at an aggregate purchase price of $581,246,839.23, reflecting an original issue premium of $88,004,620.70 and an

Underwriters' discount of $2,182,781.47. The Underwriters' obligations are subject to certain conditions, and they will be obligated to purchase all the Bonds if any Bonds are purchased.

The Refunded 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 Refunded Bonds. The Dealer Manager Fee is expected to be paid from proceeds of the Bonds.

The Underwriters have agreed to reoffer the Bonds at the public offering prices set forth on the 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 purchase of those Refunded Bonds.

Priority of Allocations of the Bonds

The State has advised the Underwriters that any holder of the Invited Bonds who tendered any Invited Bonds in the Tender Offer and who submits an order to purchase Bonds may, subject to the following sentence, have a preference of allocation of the 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 Bonds, as provided in the rules of the MSRB. The State also has the discretion to alter its advised priorities.

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 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 million 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 $5 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.

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 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 May 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 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 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 are delivered, Bond Counsel will deliver an approving opinion in substantially the form shown in APPENDIX C. If certificated Bonds were issued, then the opinion would be printed on the reverse side of each Bond.

Attorney General

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

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

Other Legal Matters

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

TAX MATTERS

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.

The 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 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.

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: April 27, 2023

STATE OF WISCONSIN

/S/ TONY EVERS

Governor Tony Evers, Chairperson
State of Wisconsin Building Commission

/S/ KATHY K. BLUMENFELD

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

/S/ NAOMI DE MERS

Naomi De Mers, Secretary
State of Wisconsin Building Commission

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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 March 31, 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 includes 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 has completed an initial review of the Governor's executive budget for the 2023-25 biennium, and released a summary of its review which was filed with the MSRB through its EMMA system and available from the State as provided above. The summary, which became available after the date of the Preliminary Official Statement (April 11, 2023), can also be obtained from the following website:

https://docs.legis.wisconsin.gov/misc/lfb/budget/2023_25_biennial_budget/502_summary_of_governor_s_budget_recommendations_march_2023_entire_document.pdf

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

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)

		2022-23 Fiscal Year		
	2021-22 Fiscal Year Annual Fiscal Report	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)

		2022-23 Fiscal Year		
	2021-22 Annual Fiscal Report	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 March 31, 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, some of the data in which became available after the date of the Preliminary Official Statement (April 11, 2023).

ACTUAL GENERAL FUND CASH FLOW; JULY 1, 2022 TO MARCH 31, 2023[(a)]
PROJECTED GENERAL FUND CASH FLOW; APRIL 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	$7,388,777	$8,009,527	$8,491,943
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	7,388,777	8,009,527	8,491,943	7,728,021
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	7,388,777	6,592,101	7,579,226	6,915,917
RECEIPTS												
TAX RECEIPTS												
Individual Income	$ 557,765	$ 940,270	$ 1,014,964	$ 937,124	$693,179	$882,819	$1,554,764	$692,182	$667,254	$1,579,875	$1,129,207	$1,119,801
Sales & Use	730,331	714,420	716,342	716,845	717,090	422,602	770,095	576,288	549,584	691,590	648,206	723,892
Corporate Income	77,895	51,093	551,029	73,137	60,320	497,117	152,180	42,485	318,414	434,196	76,106	461,475
Public Utility	56	45	410	28,438	182,139	471	16	-	6	6,567	199,576	2,402
Excise	62,605	51,765	61,274	57,560	50,721	53,349	47,377	57,162	28,332	58,935	45,620	52,476
Insurance	71	3,594	47,330	88	1,618	48,139	1,787	20,625	29,482	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	$1,593,072	$2,821,906	$2,101,866	$2,407,868
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	$1,298,678	$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	536,732	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	$1,835,410	$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	$3,428,482	$4,481,200	$3,752,626	$4,557,979
DISBURSEMENTS												
Local Aids	$ 1,534,618	$ 272,191	$ 1,032,158	$ 157,360	$1,003,549	$1,551,760	$219,007	$852,057	$2,059,699	$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	1,210,820	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	511,991	481,759	488,083	645,764
Tax Refunds	123,554	152,073	149,046	182,740	150,039	312,107	191,441	476,771	719,475	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	849,159	1,265,678	1,154,642	1,426,202
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	$5,351,144	$3,860,450	$3,270,210	$5,321,901

(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, some of the data in which became available after the date of the Preliminary Official Statement (April 11, 2023).

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 Mar-23; Estimated Apr-23 thru Jun-23**
RECEIPTS					
Tax Receipts					
Individual Income	$10,557,272	$10,138,020	$12,322,447	$12,254,052	$11,769,204
Sales	6,132,089	6,253,771	6,825,242	7,600,527	7,977,285
Corporate Income	1,519,561	1,551,402	2,753,782	2,936,462	2,795,447
Public Utility	415,047	409,513	409,860	425,920	420,126
Excise	681,262	667,055	683,307	663,646	627,176
Insurance	218,304	242,228	230,169	248,367	254,450
Total Tax Receipts	$ 19,523,535	$ 19,261,989	$ 23,224,807	$24,128,974	$23,843,688
Non-Tax Receipts					
Federal	$10,093,533	$12,725,759	$13,868,008	$16,491,256	$15,115,421
Other and Transfers	6,241,726	5,887,398	6,572,553	7,105,946	7,533,854
Total Non-Tax Receipts	$16,335,259	$18,613,157	$20,440,561	$23,597,202	$22,649,275
TOTAL RECEIPTS	$35,858,794	$37,875,146	$43,665,368	$47,726,176	$46,492,963
DISBURSEMENTS					
Local Aids	$9,698,906	$9,917,134	$10,460,416	$11,147,436	$11,358,349
Income Maintenance	9,747,283	10,126,849	11,040,922	12,596,315	12,729,876
Payroll & Related	5,333,395	5,633,397	5,689,539	6,014,346	6,293,033
Tax Refunds	2,785,514	2,992,617	3,533,245	4,195,231	3,316,792
Debt Service	914,688	875,340	973,718	961,923	934,018
Miscellaneous	6,396,205	6,811,025	9,486,768	11,871,707	11,581,168
TOTAL DISBURSEMENTS	$34,875,991	$36,356,362	$41,184,608	$46,786,958	$46,213,236
NET CASH FLOW	$982,803	$1,518,784	$2,480,760	$939,218	$279,727

(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, some of the data in which became available after the date of the Preliminary Official Statement (April 11, 2023).

GENERAL FUND CASH RECEIPTS AND DISBURSEMENTS YEAR-TO-DATE COMPARED TO ESTIMATES AND PREVIOUS FISCAL YEAR[(a)]
(Cash Basis)
As of March 31, 2023
(Amounts in Thousands)

	2021-22 Fiscal Year through March 31, 2022	2022-23 Fiscal Year through March 31, 2023				
	Actual	Actual	Estimate(b)	Variance	Adjusted Variance(c)	Difference 2022-23 Fiscal Year Actual to 2021-22 Fiscal Year Actual
RECEIPTS						
Tax Receipts						
Individual Income	$8,551,175	$7,940,321	$8,439,841	($499,520)	($499,520)	($610,854)
Sales	5,632,415	5,913,597	5,975,338	(61,741)	(61,741)	$281,182
Corporate Income	1,906,222	1,823,670	2,030,953	(207,283)	(207,283)	($82,552)
Public Utility	211,814	211,581	222,525	(10,944)	(10,944)	($233)
Excise	502,682	470,145	489,622	(19,477)	(19,477)	($32,537)
Insurance	151,170	152,734	156,389	(3,655)	(3,655)	$1,564
Total Tax Receipts	$16,955,478	$16,512,048	$17,314,668	($802,620)	($802,620)	($443,430)
Non-Tax Receipts						
Federal	$10,854,497	$11,231,036	$10,862,390	$368,646	$368,646	$376,539
Other and Transfers	5,433,096	5,958,074	5,547,657	410,417	410,417	524,978
Total Non-Tax Receipts	$16,287,593	$17,189,110	$16,410,047	$779,063	$779,063	$901,517
TOTAL RECEIPTS	$33,243,071	$33,701,158	$33,724,715	($23,557)	($23,557)	$458,087
DISBURSEMENTS						
Local Aids	$8,597,342	$8,682,399	$8,624,676	($57,723)	($57,723)	$85,057
Income Maintenance	9,214,918	9,650,487	9,523,263	(127,224)	(127,224)	$435,569
Payroll & Related	4,376,083	4,677,427	4,531,457	(145,970)	(145,970)	$301,344
Tax Refunds	2,726,191	2,457,246	1,618,086	(839,160)	(839,160)	($268,945)
Debt Service	662,319	558,470	572,580	14,110	14,110	($103,849)
Miscellaneous	7,994,910	7,734,646	10,394,377	2,659,731	2,659,731	($260,264)
TOTAL DISBURSEMENTS	$33,571,763	$33,760,675	$35,264,439	$1,503,764	$1,503,764	$188,912
2022-23 FISCAL YEAR VARIANCE YEAR-TO-DATE				$1,480,207	$1,480,207	

(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, some of the data in which became available after the date of the Preliminary Official Statement (April 11, 2023).

GENERAL FUND MONTHLY CASH POSITION[(a)]
July 1, 2020 through March 31, 2023 – Actual
April 1, 2023 through June 30, 2023 – Estimated[(b)]
(Amounts in Thousands)

Starting Date		Starting Balance	Receipts	Disbursements
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	3,428,482	5,351,144
	April	7,388,777	4,481,200	3,860,450
	May	8,009,527	3,752,626	3,270,210
	June	8,491,943	4,557,979	5,321,901

(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, some of the data in which became available after the date of the Preliminary Official Statement (April 11, 2023).

CASH BALANCES IN FUNDS AVAILABLE FOR TEMPORARY REALLOCATION[(a)(b)]
July 31, 2020 to March 31, 2023 — Actual
April 30, 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.

Available Balances; Does Not Include Balances in the LGIP

Month (Last Day)	2020	2021	2022	2023
January		$1,866	$2,273	$2,958
February		2,030	2,428	3,024
March		2,000	2,282	3,124
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	

Available Balances; Includes Balances in the LGIP

Month (Last Day)	2020	2021	2022	2023
January		$7,130	$7,971	$8,574
February		7,602	8,200	9,110
March		7,988	8,664	9,708
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, some of the data in which became available after the date of the Preliminary Official Statement (April 11, 2023).

GENERAL FUND RECORDED REVENUES[(a)]
(Agency-Recorded Basis)
July 1, 2022 to March 31, 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 March 31, 2022[(d)]	Recorded Revenues July 1, 2022 to March 31, 2023[(e)]
Individual Income Tax	$9,214,400,000	$9,115,564,000	$6,299,845,681	$5,895,969,083
General Sales and Use Tax	6,978,300,000	6,844,500,000	4,481,855,806	4,381,751,368
Corporate Franchise and Income Tax	2,960,000,000	2,160,000,000	1,644,475,398	1,263,188,088
Public Utility Taxes	383,600,000	352,000,000	188,024,099	189,121,851
Excise Taxes	654,700,000	654,800,000	436,801,054	369,614,098
Inheritance Taxes	-0-	-0-	-0-	-0-
Insurance Company Taxes	221,800,000	217,000,000	151,405,387	125,310,803
Miscellaneous Taxes	135,600,000	114,000,000	341,690,950	165,848,892
SUBTOTAL	$20,548,400,000	$19,457,864,000	$13,544,098,373	$12,390,804,182
Federal and Other Inter-Governmental Revenues[(f)]	18,570,506,000	12,720,421,900	11,875,403,134	11,163,500,176
Dedicated and Other Revenues[(g)]	8,957,779,000	7,128,404,200	6,114,617,101	6,273,114,185
TOTAL	$48,076,685,000	$39,306,690,100	$31,534,118,608	$29,827,418,544

(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, some of the data in which became available after the date of the Preliminary Official Statement (April 11, 2023).

GENERAL FUND RECORDED EXPENDITURES BY FUNCTION[(a)]
(Agency-Recorded Basis)
July 1, 2022 to March 31, 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 March 31, 2022[(d)]	Expenditures July 1, 2022 to March 31, 2023[(e)]
Commerce	$ 558,080,000	$ 424,046,700	$344,647,085	$425,197,634
Education	15,957,498,000	15,431,359,300	11,559,315,237	12,112,180,762
Environmental Resources	305,660,000	285,123,800	172,092,725	137,491,654
Human Relations & Resources	21,598,080,000	17,629,648,700	15,469,500,204	16,661,614,715
General Executive	3,745,808,000	1,262,292,000	1,902,601,922	1,668,496,211
Judicial	154,578,000	152,077,300	122,640,960	124,675,029
Legislative	81,703,000	87,774,000	56,760,739	54,901,507
General Appropriations	2,768,023,000	3,057,063,100	2,596,549,915	3,072,026,221
TOTAL	$ 45,169,430,000	$ 38,329,384,900	$32,224,108,788	$34,256,583,732

(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

State Obligations; Employee Pension Funds (Part II; Pages 75-77). Update with the following information and table, which were not included in the Preliminary Official Statement.

Annual annuity adjustments for the remainder of calendar year 2023 were announced by the Wisconsin Retirement System (**WRS**) on March 8, 2023 and include an increase of 1.6% for retirees in the WRS Core Retirement Trust, or Core Fund, and a decrease of 21.0% for retirees in the WRS Variable Retirement Trust, or Variable Fund. The following table includes the Core Fund and Variable Fund annuity adjustments granted during the previous 10 years.

WISCONSIN RETIREMENT SYSTEM
SUMMARY OF ANNUITY ADJUSTMENTS

Year	Core Fund	Variable Fund
2013	(9.6)%	9.0%
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	0.0	(10.0)
2020	1.7	21.0
2021	5.1	13.0
2022	7.4	15.0

Source: Department of Employee Trust Funds

Table II-39; Unemployment Rate Comparison (Part II; Page 97). Replace with the following updated table, some of the data in which became available after the date of the Preliminary Official Statement (April 11, 2023).

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

	2023		2022		2021		2020		2019		2018	
	Wis.	U.S.	Wis.	U.S.	Wis.	U.S.	Wis.	U.S.	Wis.	U.S.	Wis.	U.S.
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	3.3	4.1	5.1	6.6	3.3	3.8	3.5	4.1	3.4	4.4
March	2.5	3.6	3.1	3.8	4.8	6.2	3.8	4.5	3.5	3.9	3.3	4.1
April			2.8	3.3	4.3	5.7	14.1	14.4	3.0	3.3	2.9	3.7
May			2.8	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	3.5	4.2
July			3.1	3.8	3.9	5.7	8.0	10.5	3.5	4.0	3.2	4.1
August			3.2	3.8	3.7	5.3	6.1	8.5	3.3	3.8	3.0	3.9
September			2.8	3.3	3.1	4.6	5.5	7.7	3.0	3.3	2.6	3.6
October			2.6	3.4	2.7	4.3	4.5	6.6	2.8	3.3	2.6	3.5
November			2.5	3.4	2.5	3.9	4.4	6.4	2.8	3.3	2.6	3.5
December			2.2	3.3	2.4	3.7	4.5	6.5	2.8	3.4	2.7	3.7
Annual Average			2.9	3.6	3.8	5.3	6.4	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

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State of Wisconsin

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

	2022-23
Revenues	
Opening Balance, July 1	$4,298,919,000
Taxes	21,353,300,000
Departmental Revenues	
Tribal Gaming	0
Other	712,036,300
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	-1,303,859,700
Net Appropriations	$19,263,796,700
Balances	
Gross Balance	$7,100,458,600
Less Required Statutory Balance	-95,000,000
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. Treasurys 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 Treasurys 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 Treasurys 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)

	2022	2023	2024	2025
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 Actual	2022-23 Estimated	2023-24 Estimated	2024-25 Estimated
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	135.6	107.0	96.0	110.0
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,

Bob Lang

Robert Wm. Lang
Director

RWL/lb
cc: Members, Wisconsin Legislature

APPENDIX B

GENERAL OBLIGATION ISSUANCE STATUS REPORT
April 1, 2023

Program Purpose	Legislative Authorization	General Obligations Issued to Date	Credit to Capital Improvement Fund: Interest Earnings[(a)]	Credit to Capital Improvement Fund: Premium[(a)]	G.O. Ref. Bonds of 2023, Series 2	Total Authorized Unissued Debt
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				

APPENDIX B – Continued

GENERAL OBLIGATION ISSUANCE STATUS REPORT

April 1, 2023

Program Purpose	Legislative Authorization	General Obligations Issued to Date	Credit to Capital Improvement Fund		G.O. Ref. Bonds of 2023, Series 2	Total Authorized Unissued Debt
			Interest Earnings[a]	Premium[a]		
Natural resources; dam safety projects	$39,500,000	$27,577,653	$51,291	$2,609,962		$9,261,094
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

APPENDIX B – Continued

GENERAL OBLIGATION ISSUANCE STATUS REPORT

April 1, 2023

Program Purpose	Legislative Authorization	General Obligations Issued to Date		Credit to Capital Improvement Fund: Interest Earnings[a]	Credit to Capital Improvement Fund: Premium[a]	G.O. Ref. Bonds of 2023, Series 2	Total Authorized Unissued Debt
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
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				$495,425,000	1,399,778,954
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

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

Program Purpose	Legislative Authorization	General Obligations Issued to Date	Credit to Capital Improvement Fund: Interest Earnings[a]	Credit to Capital Improvement Fund: Premium[a]	G.O. Ref. Bonds of 2023, Series 2	Total Authorized Unissued Debt
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
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

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

Program Purpose	Legislative Authorization	General Obligations Issued to Date	Credit to Capital Improvement Fund: Interest Earnings[(a)]	Credit to Capital Improvement Fund: Premium[(a)]	G.O. Ref. Bonds of 2023, Series 2	Total Authorized Unissued Debt
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
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	$39,230,472,347	$33,043,532,508	$74,220,810	$868,587,031	$495,425,000	$4,748,706,998

(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.

Source: Department of Administration

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APPENDIX C

EXPECTED FORM OF BOND COUNSEL OPINION

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

(Letterhead of Foley & Lardner LLP)

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

$495,425,000
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 $495,425,000 General Obligation Refunding Bonds of 2023, Series 2, dated the date hereof **(Bonds)**. The Bonds are authorized by Article VIII of the Wisconsin Constitution and Chapters 18 and 20 of the Wisconsin Statutes, and are being issued pursuant to 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 Bonds, and certifications of public officials and others. As to questions of fact material to our opinion, we relied upon those certified proceedings and certifications without independently undertaking to verify them.

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

1. The Bonds are valid and binding general obligations of the State.
2. The Resolution has been duly adopted by the Commission 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 Bonds as the Bonds mature and become due. There has been irrevocably appropriated, as a first charge upon all revenues of the State, a sum sufficient for such purpose.
4. Interest on the Bonds is 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 all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied after the Bonds are issued 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 do so. A failure to comply may cause interest on the Bonds to be included in gross income for federal income tax purposes, in some cases retroactively to the date the Bonds were issued. We express no opinion about other federal tax law consequences regarding the Bonds.

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

We have not been engaged or undertaken to review the accuracy, completeness, or sufficiency of the Official Statement dated April 27, 2023 or other offering material relating to the Bonds (except to the extent, if any, stated in the Official Statement), and we express no opinion as to those matters (except only the matters set forth as our opinion in the Official Statement).

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 Date	Purchase Price
2015 Series 1	4/14/2015	$16,475,000 [b]	5.000%	5/1/2029	97705L 8P5 [b]	5/11/2023	106.549%
2016 Series A	3/16/2016	$15,180,000 [b]	5.000%	5/1/2034	97705M DF9 [b]	5/11/2023	106.243%
		9,455,000 [b]	5.000	5/1/2035	97705M DG7 [b]	5/11/2023	105.980
		24,760,000 [b]	5.000	5/1/2036	97705M DH5 [b]	5/11/2023	105.919
2016 Series 2	8/25/2016	$2,000,000 [b]	5.000%	11/1/2030	97705M ZK4 [b]	5/11/2023	109.156%
2017 Series A	3/29/2017	$16,840,000 [b]	5.000%	5/1/2029	97705M GA7 [b]	5/11/2023	106.549%
		7,760,000 [b]	5.000	5/1/2030	97705M GB5 [b]	5/11/2023	106.488
		18,475,000 [b]	5.000	5/1/2031	97705M GC3 [b]	5/11/2023	106.488
		7,700,000 [b]	5.000	5/1/2033	97705M GE9 [b]	5/11/2023	106.386
		9,130,000 [b]	5.000	5/1/2034	97705M GF6 [b]	5/11/2023	106.243
		21,000,000 [b]	5.000	5/1/2035	97705M GG4 [b]	5/11/2023	105.980
		23,325,000 [b]	5.000	5/1/2036	97705M GH2 [b]	5/11/2023	105.919
		28,085,000 [b]	5.000	5/1/2037	97705M GJ8 [b]	5/11/2023	105.474
2017 Series B	11/30/2017	$1,305,000 [b]	5.000%	5/1/2033	97705M KG9 [b]	5/11/2023	106.386%
		10,000,000 [b]	5.000	5/1/2034	97705M KH7 [b]	5/11/2023	106.243
		2,245,000 [b]	5.000	5/1/2036	97705M KK0 [b]	5/11/2023	105.919
		20,065,000 [b]	5.000	5/1/2038	97705M KM6 [b]	5/11/2023	105.273
2017 Series 3	12/28/2017	$22,610,000 [b]	5.000%	11/1/2032	97705M KU8 [b]	5/11/2023	112.415%
		14,850,000 [b]	5.000	11/1/2033	97705M KV6 [b]	5/11/2023	112.255
2018 Series B	10/11/2018	$12,230,000	5.000%	5/1/2031	97705M ME2	5/11/2023	109.065%
		6,845,000 [b]	5.000	5/1/2032	97705M MF9 [b]	5/11/2023	108.974
		3,535,000 [b]	5.000	5/1/2033	97705M MG7 [b]	5/11/2023	108.883
		14,280,000	5.000	5/1/2034	97705M MH5	5/11/2023	108.670
		15,040,000	5.000	5/1/2035	97705M MJ1	5/11/2023	108.278
		15,830,000	5.000	5/1/2036	97705M MK8	5/11/2023	107.827
		16,700,000	5.000	5/1/2037	97705M ML6	5/11/2023	107.438
		17,585,000	5.000	5/1/2038	97705M MM4	5/11/2023	107.230
		30,915,000	5.000	5/1/2039	97705M MN2	5/11/2023	107.081
2019 Series A	8/7/2019	$5,055,000 [b]	5.000%	5/1/2031	97705M NA9 [b]	5/11/2023	109.065%
		6,850,000 [b]	5.000	5/1/2032	97705M NB7 [b]	5/11/2023	108.974
		10,475,000	5.000	5/1/2033	97705M NC5	5/11/2023	108.883
		11,020,000	5.000	5/1/2034	97705M ND3	5/11/2023	108.670
		11,600,000	5.000	5/1/2035	97705M NE1	5/11/2023	108.278
		12,195,000	5.000	5/1/2036	97705M NF8	5/11/2023	107.827
		6,280,000 [b]	5.000	5/1/2037	97705M NG6 [b]	5/11/2023	107.438
		4,040,000 [b]	5.000	5/1/2038	97705M NH4 [b]	5/11/2023	107.230
		2,925,000 [b]	5.000	5/1/2039	97705M NJ0 [b]	5/11/2023	107.081
2019 Series 1	10/30/2019	$3,720,000 [b]	2.141%	5/1/2027	97705M ZM0 [b]	5/11/2023	94.814%
		915,000 [b]	2.381	5/1/2030	97705M NT8 [b]	5/11/2023	92.010
		185,000 [b]	2.451	5/1/2031	97705M NU5 [b]	5/11/2023	90.763
		27,995,000 [b]	2.501	5/1/2032	97705M NV3 [b]	5/11/2023	89.556
2019 Series B	12/5/2019	$11,955,000 [b]	5.000%	5/1/2034	97705M PN9 [b]	5/11/2023	112.140%
		9,400,000 [b]	5.000	5/1/2035	97705M PP4 [b]	5/11/2023	111.397

REFUNDED BONDS

Series	Dated Date	Principal Amount	Interest Rate	Maturity	CUSIP[a]	Purchase Date	Purchase Price
2020 Series 2	2/11/2020	$140,000 [b]	2.118%	5/1/2027	97705M QM0 [b]	5/11/2023	94.730%
		400,000 [b]	2.217	5/1/2028	97705M QN8 [b]	5/11/2023	93.484
		55,000 [b]	2.297	5/1/2030	97705M QQ1 [b]	5/11/2023	91.504
		100,000 [b]	2.347	5/12031	97705M QR9 [b]	5/11/2023	90.060
2020 Series 3	7/15/2020	$800,000 [b]	1.168%	5/1/2027	97705M RX5 [b]	5/11/2023	91.281%
		200,000 [b]	1.436	5/1/2028	97705M RY3 [b]	5/11/2023	90.002
		1,205,000 [b]	1.536	5/1/2029	97705M RZ0 [b]	5/11/2023	88.488
		1,045,000 [b]	1.616	5/1/2030	97705M SA4 [b]	5/11/2023	87.419
		150,000 [b]	1.736	5/1/2032	97705M SC0 [b]	5/11/2023	83.905
		325,000 [b]	1.836	5/1/2033	97705M ZQ1 [b]	5/11/2023	83.074
		1,835,000 [b]	1.936	5/1/2034	97705M SE6 [b]	5/11/2023	82.183
		2,000,000 [b]	1.986	5/1/2035	97705M SF3 [b]	5/11/2023	80.945
		5,530,000 [c]	2.385	5/1/2038 [c]	97705M SG1 [c]	5/11/2023	80.941
		1,650,000 [d]	2.485	5/1/2042 [d]	97705M SH9 [d]	5/11/2023	75.794
2021 Series 3	3/17/2021	$2,860,000 [b]	1.122%	5/1/2028	97705M UN3 [b]	5/11/2023	88.603%
		$547,125,000					

(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.
(b) Reflects only a portion of the total amount of this bond maturing on the respective maturity date. The CUSIP number shown is the CUSIP number currently assigned.
(c) This is a partial redemption of a term bond maturing May 1, 2038, and the principal amount being refunded will be applied against the May 1, 2036, 2037, and 2038 mandatory sinking fund redemption payments in such order as the State directs. The CUSIP number shown is the CUSIP number currently assigned to the entire maturity.
(d) This is a partial redemption of a term bond maturing May 1, 2042, and the principal amount being refunded will be applied against the May 1, 2039, 2040, 2041, and 2042 mandatory sinking fund redemption payments in such order as the State directs. The CUSIP number shown is the CUSIP number currently assigned to the entire maturity.

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