

TEXAS TRANSPORTATION COMMISSION

ALL Counties

MINUTE ORDER

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ALL Districts

The Texas Transportation Commission (commission) recognizes that the federal transportation legislation known as the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users, also known as SAFETEA-LU, provides increased federal funding for existing public transportation programs, as well as creating new programs.

The commission acknowledges that many public transportation providers are constrained between the issues of rising costs of providing public transportation services, and limited non-federal funds that may be used as the required local match for federal programs. These factors may lead public transportation providers to use their non-federal funds for public transportation operating expenses, instead of using those funds to match important capital project needs.

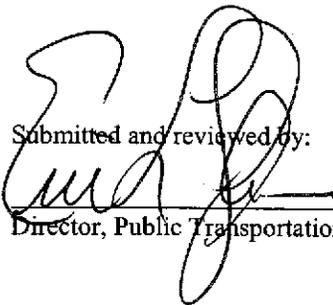
The commission further recognizes that state and federal law permits the substitution of transportation development credits as the required non-federal match for capital projects. On May 25, 2006, the commission passed Minute Order 110540, which adopted rules for the administration of transportation development credits in Texas.

The commission expresses its intention to consider the award of transportation development credits for Federal Transit Administration public transportation projects in two categories: (1) projects for which the department is the designated recipient and (2) projects administered by providers who receive state financial assistance from the department. The actual award of transportation development credits, at a later date, will promote public transportation capital infrastructure projects: fleet replacement, fleet expansion, maintenance facilities; and capital projects that support regional coordination.

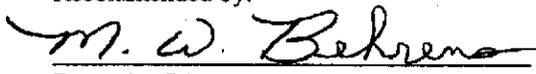
Prior to award of transportation development credits, the commission will ensure that eligible projects referenced in this minute order comply with the commission's policies, including the department's goals to: reduce congestion, expand economic opportunity, enhance safety, improve air quality, and increase the value of transportation assets, in compliance with the department's rules governing award of transportation development credits.

IT IS THEREFORE ORDERED by the commission that the executive director, or the director's designee, is authorized to make known the commission's intention to make available an estimated \$12.5 million in transportation development credits for federally funded projects, as described in this minute order and in accordance with applicable law.

Submitted and reviewed by:

  
\_\_\_\_\_  
Director, Public Transportation Division

Recommended by:

  
\_\_\_\_\_  
Executive Director

**110771 DEC 14 06**

Minute  
Number

Date  
Passed