

TEXAS TRANSPORTATION COMMISSION

ALL Counties

MINUTE ORDER

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ALL Districts

In accordance with Transportation Code, §222.035, the Office of the Attorney General on September 23, 2005 published notice at 30 Texas Register 6111 of its determination that the United States Congress has enacted legislation amending Internal Revenue Code §142, to include qualified highway or surface freight transfer facilities among the types of facilities for which Private Activity Bonds (PABs) may be used.

That legislation, Section 11143 of Title XI of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), limits to \$15 billion the amount of PABs that can be issued. The law also provides that the Secretary of Transportation shall allocate the \$15 billion nationally among qualified highway or surface freight facilities in such manner as the Secretary deems appropriate.

On January 5, 2006, the United States Department of Transportation (USDOT) issued a notice at 71 Federal Register 642 soliciting both applications for allocations from the \$15 billion authorized amount and comments on how USDOT should exercise and administer its allocation authority.

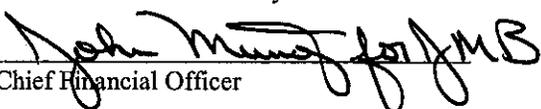
The Texas Transportation Commission (commission) or related entities intends to issue PABs for the purpose of financing authorized transportation projects, including projects under comprehensive development agreements with private entities pursuant to Transportation Code, Chapter 223, Subchapter E.

IT IS THEREFORE ORDERED by the commission that the Texas Department of Transportation (department) is authorized and directed to file with the Secretary of Transportation, United States Department of Transportation, one or more applications for allocations from the \$15 billion of authorized PABs for qualified highway or surface freight transfer facilities.

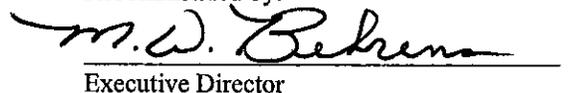
IT IS FURTHER ORDERED by the commission that the department is authorized and directed to file with the Secretary of Transportation, United States Department of Transportation, comments on how USDOT should exercise and administer its \$15 billion PABs allocation authority.

IT IS FURTHER ORDERED by the commission that the department's Chief Financial Officer is hereby delegated the authority to declare official intent on behalf of the commission, or related entities, regarding the inducement and/or reimbursement of costs of authorized transportation projects from tax-exempt obligations in accordance with the Internal Revenue Code of 1986, as amended.

Submitted and reviewed by:


Chief Financial Officer

Recommended by:


Executive Director

110442 FEB 23 06

Minute Date
Number Passed