S&P Global
Ratings

RatingsDirect®

Texas
Texas Water Development Board; Appropriations; General Obligation; General Obligation Equivalent Security

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Credit Profile		
US$138.19 mil GO bnds wtr fincl asst rfdg bnds (State of Texas) ser 2022B due 08/01/2041		
Long Term Rating	AAA/Stable	New
US$97.935 mil GO bnds wtr fincl asst bnds (State of Texas) ser 2022A due 08/01/2046		
Long Term Rating	AAA/Stable	New
US$18.26 mil GO bnds wtr fincl asst rfdg bnds (Texas) (state Participation Program)ser 2022D due 08/01/2035		
Long Term Rating	AAA/Stable	New
US$13.005 mil GO bnds wtr fincl asst rfdg bnds (Texas) (Economic Distressed Areas Program) ser 2022C due 08/01/2032		
Long Term Rating	AAA/Stable	New
Texas GO		
Long Term Rating	AAA/Stable	Affirmed
Texas Wtr Dev Brd, Texas		
Texas		
Texas Wtr Dev Brd (Texas) GO		
Long Term Rating	AAA/Stable	Affirmed

Rating Action

S&P Global Ratings assigned its 'AAA' long-term rating to the State of Texas':

- Series 2022A general obligation (GO) water financial assistance bonds;
- Series 2022B GO water financial assistance refunding bonds;
- Series 2022C GO water financial assistance refunding bonds (economically distressed areas program); and
- Series 2022D GO water financial assistance refunding bonds (state participation program, taxable).

The bonds are being issued by the Texas Water Development Board.

At the same time, S&P Global Ratings affirmed its 'AAA' issuer credit rating (ICR) on the state's previously issued GO bonds, its 'AA+' long-term rating on the state's appropriation-backed debt outstanding, and its 'AAA/A-1+' rating on the state based on S&P Global Ratings' joint-support criteria. The outlook, where applicable, is stable.

Credit overview

With the state now halfway through its fiscal year (quarter of its biennium), a recovering economy has resulted in strong budgetary performance. Though economic headwinds like broad inflationary pressures, tightening monetary policy, and lagging labor force participation rates stand to potentially blunt economic growth, the state's comparatively strong financial performance both before and during the recession, combined with its strong financial management and oversight, continues to afford it a strong degree of flexibility to manage challenges as they arise, in our view.

Supported by favorable demographic trends, broad and diversified economic expansion, and strong budgetary performance, Texas credit fundamentals have proven resilient since the onset of the global pandemic, which we believe will persist within our outlook period.

The comptroller of public accounts reports that for fiscal 2022, total general revenues are up approximately 34% compared with fiscal 2021 (excluding federal and CARES Act coronavirus relief funds). The state's leading revenue source--sales tax--is up nearly 24% for the fiscal year. Relative to its forecast, sales taxes are up a very strong 22%, or $3.67 billion dollars. Not accounting for potential changes in legislation (the next legislative session), the ending balance in the state's economic stabilization fund (ESF) totals approximately $12.62 billion by biennium end (fiscal 2023), or almost 21% of general revenue appropriations (average annual), levels we view as very strong.

As the state's economy transitions into a new normal, we believe active management will remain a key credit consideration in addressing developments as they arise. Above-mentioned pressures notwithstanding, the state's overall debt profile is expected to remain relatively low with its pension liability pressures anticipated to moderate longer term while remaining manageable following the passage of pension reform for the Employee Retirement System (ERS).

The ratings reflect our view of the state's:

- Diverse and resilient economy, which has outpaced that of the nation in terms of economic output and job growth;
- Strong revenue forecasting and cash management practices, including comprehensive monthly revenue and expenditure cash monitoring and willingness to maintain strong liquidity to meet constitutionally defined priorities;
- Low overall net debt, although with elevated unfunded pension and long-term liabilities, which we believe will require continued active management to ensure that benefit costs remain affordable; and
- Potential long-term budgetary pressures related to increasing public education expenses and modifications to the school funding formula in the 2019 legislative session that shifted a greater burden of the cost to the state.

Environmental, social, and governance

We consider Texas to have higher environmental risk compared to peers in the U.S. states sector. Environmental risks are primarily two-fold: energy transition and physical risks stemming from severe weather events and sea-level rise. The state has a comparatively greater penetration of energy-related activities from the oil and gas sector, which could lead to increasing regulatory challenges or costs as some sectors of the global economy focus on reducing greenhouse gas emissions through renewable energy.

In addition, Texas' location along the U.S. Gulf Coast exposes it to rising sea levels and climate-related events like hurricanes. While infrequent today, winter storms similar to the type in February 2021, could add credit pressure should the state overlook inclusion of adaptation and mitigation initiatives in its long-term planning activities. In addition, we view extreme heat, particularly in the more arid portions of the state, as potentially adding stress to the state's environmental risks.

We note that the state's demographic trends generally contribute to lower social risk given that population growth over the past decade has well exceeded the national level, which we view favorably as it can provide for greater economic development potential relative to its peers. Corresponding service needs may require additional investments, however. We view Texas' governance risks as being neutral, though we note its history of maintaining a strong management and policy framework to respond to developing risks. Longer term, the state's capacity to evolve its resiliency efforts from responsive to preventative will be a key credit consideration.

For additional information, see "ESG U.S. Public Finance Report Card: Texas Governments And Not-For-Profit Enterprises," published Sept. 23, 2021, on RatingsDirect.

Texas' GO bonds are eligible to be rated above the sovereign, because we believe the state can maintain better credit characteristics than the U.S. in a stress scenario. Under our criteria, "Ratings Above The Sovereign: Corporate And Government Ratings--Methodology And Assumptions" (published Nov. 19, 2013), U.S. states are considered to have moderate sensitivity to country risk. The institutional framework in the U.S. is predictable, with significant state autonomy and flexibility demonstrated by serial bond amortization as well as independent treasury management.

Under our state ratings methodology, we have assigned Texas a score of '1.5' which is an indicative of a 'AAA' rating. The change from 1.6 to 1.5 reflects an improvement in our assessment of the state's debt and liability profile.

Stable Outlook

Downside scenario

We believe the state may experience challenges in shoring up and containing long-term liability growth related to pensions and retiree health care costs, although it took significant steps to curb growing pension pressures associated with ERS in its latest legislative session (2021).

In addition, we could lower the rating if officials fail to adopt timely corrective actions to address future budget gaps should they arise or if the economic recovery stumbles, leading to revenues shifting downward materially, resulting in substantial draws on the ESF, without a plan to replenish the amount.

Credit Opinion

Preceding the onset of the shocks to the national economy in early 2020, Texas was among the country's leading economic engines. Two years removed from the pandemics onset, broad-based job growth is forecast to elevate year-end gross state product (GSP) to 4.8% relative to 2022, 1.1 percentage points above the national level, according to S&P Market Intelligence (IHS Markit). By the end of 2023, the state's economic output is forecast to grow 3.5%, compared to 2022 levels, again exceeding the national level by 80 basis points (bps).

As the economic recovery moves forward, we anticipate Texas' economic metrics and revenues improving in step with broad U.S. economic rebound. In tandem, employment growth is expected to exceed the national level in 2022 and

2023 by 90 bps and 50 bps, respectively.

Favorably, the state's employment base has fully recovered from its trough in February 2020. Reflecting a labor force participation rate that remains slightly below its pre-pandemic levels, the unemployment rate stood at 4.8% in January, significantly off its peak of 12.9% in April. Across the board, employment by sector is all positive compared with the same period a year ago, including the state's mining sector--which is largely composed of oil and gas activities.

While we anticipate the energy sector will continue to play an important role in Texas' economic health, broad-based economic growth most pronounced in the state's metropolitan statistical areas (MSAs) has helped diversify its employment base and will significantly influence credit stability within the short and longer term, in our view. In context, in terms of total employment, the mining sector has contracted considerably since 2014, while other sectors have more than offset the decline. As reported by the Bureau of Labor Statistics, total employment in the sector (January 2022), stood at about 59% of its peak levels in late 2014, representing a 40% decline. By contrast, total nonfarm employment has expanded nearly 11% over the same period, which includes the material slide in employment following the onset of the pandemic.

Nevertheless, the reversal of fortune for the state's oil plays, predominantly concentrated in the Permian, is extraordinary, in our view, but serves to highlight how quickly economic and geopolitical winds can change. In a sign of evolving conditions in the sector, S&P Global Ratings revised its oil and natural gas assumptions up for the remainder of the year. (For additional information, see "S&P Global Ratings Raises Near-Term Oil And Gas Price Assumptions Following Russian Invasion Of Ukraine," published Feb. 28, 2022.) The state's mineral production tax collections for the fiscal year are up 271% (natural gas production tax) and 93% (oil production tax), compared to fiscal year 2021. In our view, the recovery--though volatile--in the sector throughout the year will continue to meaningfully help the state's economy further heal, particularly in regions with disproportionate concentrations of oil and gas activities.

Outside the energy sector, weighing favorably for the state is its continued population growth, which we believe can position it to sustain its economic growth and productivity trajectory longer term. As reported by the U.S. Census Bureau, since 2010, Texas leads the nation, adding about 4 million new residents, a 16% bump in a decade (2020 Census). As the state continues its transition to a new normal, we believe its favorable demographics will help it sustain stronger economic growth and employment gains relative to its peers, even as its energy sector faces inherent volatility.

We believe the size of the state's accumulated reserves provides a source of flexibility that very few states have maintained throughout economic cycles. Furthermore, we believe that Texas' very strong revenue forecasting and cash-flow monitoring tools, which include comprehensive monthly reports on its general revenue and pooled cash, coupled with state authorities' willingness to maintain strong liquidity to meet Texas' constitutionally defined priorities, including the repayment of debt service, provide an important source of strength and stability to the rating. Finally, we believe the state has relatively broad authority to cut services, which can also provide additional flexibility to manage its liquidity position during periods of budgetary stress.

Government Framework

As is the case with many states, Texas has a constitutional requirement to adopt a balanced budget. The state comptroller of public accounts releases a revenue estimate for the biennium in early January (in an odd-numbered year), and the legislature is constitutionally obligated to adopt an appropriations bill that does not exceed the comptroller's certified revenue. The state does not have a legal requirement (constitutional or in statute) to end the fiscal year and biennium in balance. In practice, however, the legislature must address any current deficit before a new biennial budget can be approved, which effectively serves as a budget balancing measure at the end of the biennium.

While significant tax and fee increases have generally been rare in recent history, the state legislature retains legal authority to adopt and increase taxes and fees. Prior to a statewide election on Nov. 5, 2019, one of the exceptions to this authority is the adoption of a personal income tax, which would require a statewide referendum to amend the state constitution, as well as legislative approval. As approved overwhelmingly by the electorate, the referendum mechanism, which required a simple majority vote in each chamber of the legislature, was effectively raised to super-majorities in each chamber and would require approval of the state's electorate.

In our opinion, Texas has sufficient authority to shift certain responsibilities to local governments and potentially change disbursement dates for its agencies and programs, with a few exceptions--most prominently, education funding. A change in the disbursement dates of state funding for schools requires legislative approval. In times of budgetary stress, the state legislature has approved shifting the last transfer of the fiscal year (known as the "13th month payment") to the following fiscal year.

From a credit perspective, one of the key strengths of Texas' government framework derives from the constitutional priority of debt service payments. The state's GO debt is secured by a constitutional pledge of the first money coming into the state treasury not constitutionally dedicated for other purposes.

Based on the analytic factors we evaluate for states, on a four-point scale in which '1.0' is the strongest and '4.0' is the weakest, we have assigned Texas a government framework score of '1.5'.

Financial Management Assessment: Strong

We view the state's financial management assessment (FMA) score as strong. In our framework, an FMA of strong indicates that practices are strong, well embedded, and likely sustainable.

Highlights of the state's financial management practices include:

- The state comptroller's office performs revenue forecasts biennially based on an array of independent economic and demographic analyses. The comptroller also biennially certifies revenue assumptions and tracks revenue and expenditure performance monthly.
- The state legislature controls appropriations, which are approved biennially. Throughout the year, the legislative budget board acts as a permanent joint committee of the state legislature, developing recommendations for legislative appropriations for all state government agencies. In addition, the board annually publishes a budget and

performance assessment report that provides detailed budget performance measures by government function. Between legislative sessions, the governor or the legislative budget board can propose to prohibit a state agency from spending all, or part, of an appropriation made to the agency; transfer an appropriation to another state agency; or change the purpose for which an appropriation was made. The board must either approve or amend the governor's proposal or the governor must either approve or amend a legislative budget board proposal.

- The state has a government-wide, long-term capital improvement program (CIP) that it updates every biennium. The CIP outlines the overall capital expenditures by functional area and identifies relevant sources of funding. In addition, several individual state agencies, including the Department of Transportation, have comprehensive long-term capital plans with identified funding sources for every project.
- In addition to a long-range CIP, state agencies are required to develop long-range strategic plans. State statutes require agencies to submit a five-year plan each even-numbered year, beginning with the next odd-numbered fiscal year. The Legislative Budget Board and the Governor's Office of Budget and Planning are jointly responsible for determining the elements included in these strategic plans and for issuing instructions. These plans must include an analysis of the use of the agency's resources to meet its current and future needs, an estimate of additional resources necessary for future needs, as well as a prioritization of those needs. These strategic plans serve as the basis for the "Legislative Appropriations Request," which prioritizes and develops state agency budget requests. In terms of debt management policy, Texas has a constitutional debt limit that states any additional debt it intends to pay from general revenues cannot be authorized if the maximum annual debt service (MADS) on debt payable from the general revenue fund would exceed 5% of average general fund revenues for the previous three years. In addition, the state's debt affordability plan, first introduced in 2007 and reviewed annually, establishes several benchmarks and ratios to evaluate outstanding debt obligations and future debt capacity.
- In terms of liquidity and reserve policies, Texas established its ESF (rainy day fund) by constitutional amendment in 1988. It became effective on Sept. 1, 1989, and is primarily funded with 37.5% of the amount by which oil and gas tax collections in any year exceeds 1987 collections and half of any unencumbered general revenue surplus at the end of each biennium. Prior to the adoption of a constitutional amendment, effective in fiscal year 2015, 75% of the oil and gas collections were transferred into the ESF. The remaining 37.5% is now transferred to SHF (expires Dec. 31, 2034). Revenue transferred to the SHF as a result of this constitutional amendment may only be used for constructing, maintaining, and acquiring right-of-way for public roadways other than toll roads. The amount in the ESF is capped at 10% of general revenue income during the previous biennium. A three-fifths vote in both houses is required to appropriate money in the fund.

Budget management framework

The state comptroller of public accounts is required to produce two revenue estimates during the biennium. The first one, produced in January of odd fiscal years, is also called the BRE. The BRE sets the stage for the budget process, as it outlines the estimated revenues available for appropriation by the legislature in the upcoming biennium. The Certified Revenue Estimate, which is generally produced in the fall of odd fiscal years, reflects legislative activity, and serves as an interim budget management tool to allow for potential changes to the state's appropriations. In addition to the legally required estimates, the comptroller's office monitors the revenue and expenditure forecast monthly and produces a detailed forecast annually.

Based on information regarding the governor's budget execution authority, we believe that the budget management tools available to state officials allow for timely corrective action throughout the biennium, particularly during times of budgetary stress. As the chief budget officer of the state, the governor has both emergency appropriations and budget executive authority. In previous economic cycles, when revenue declines resulted in projected gaps, the governor and legislative leadership implemented a series of budget reductions to contain expenditures. They used these budget management tools to close developing budget gaps during the most recent economic recessions.

Historically, state officials have addressed budget shortfalls by implementing structural measures, including several sales tax increases after the 1980s oil bust and expenditure reductions following the recession in the early part of this century. In our opinion, however, the state's focus on structural solutions has shifted to incorporating a growing number of one-time solutions to its budget challenges. One such example was the 2012-2013 biennium. From an initially estimated gap of about $27 billion identified in 2011, officials addressed approximately $12.2 billion of this gap through one-time revenue measures or expenditure deferrals. In addition, there have been other budget measures that have created the potential for long-term budget imbalances, particularly during times of economic decline. One such example was the set of revenue solutions adopted in the school finance reforms that the legislature approved in 2006. This legislation required school districts to reduce local school district property tax rates by one-third. Similarly, during the most recently completed legislative session (86th Regular Session, 2019), the legislature significantly increased resources for public schools by modifying the funding formula and compressing property tax rates levied by school districts, again committing itself to filling a greater share of the total resources for schools.

Based on the analytic factors we evaluate for states, on a four-point scale in which '1.0' is the strongest and '4.0' is the weakest, we have assigned Texas a financial management score of '1.0'.

Economy

One quarter into 2022, the state's economic conditions continue to strengthen. Baseline GSP growth assumptions of 4.8% forecasted by S&P Market Intelligence (IHS Markit), if realized, will help the state regain its status among the fastest-growing states in the country. Overall, we have observed that the diversification of the Texas economy has occurred with less dependence on energy-related industries, resulting in its economy now more closely resembling the national economy.

We believe that the gradual diversification away from oil has been spurred largely by two increasingly prominent sectors in the state's economy: technology and service industries. Population growth in the Austin-Round Rock MSA, for example, has been fueled by high-technology research and development and manufacturing. Houston, although still dependent on energy-related industries, has seen rapid expansions in health care and business services and the Dallas and Fort Worth MSAs are leading transportation and telecommunications centers, among other sectors like financial services and healthcare.

Despite the diversification over the past two decades, we expect that the energy sector will remain an important mainstay of the state's economy and finances. Texas remains the nation's largest producer of crude oil and natural gas, its largest consumer of energy, and home to many of the country's energy-related corporations. As a result, we expect the health of the sector will continue to play an important role in the state's economic and fiscal future.

Over the long term, we believe the state--like the nation as a whole--will have to contend with certain structural factors: evolving productivity developments, lower labor-force participation, and shifting trade dynamics. Improved diversification across the state will help bolster Texas' economic prospects through various economic cycles, likely offsetting many of these risks, outside of the short-to-medium term.

Based on the analytic factors we evaluate for states, on a four-point scale in which '1.0' is the strongest and '4.0' is the weakest, we have assigned Texas an economic score of '1.5'.

Budgetary Performance

The state has four constitutional limits on spending: the balanced budget limit (referred to as "pay-as-you-go limit"), the limit on the rate of growth of appropriations from certain state taxes (referred to as the "spending limit"), the limit on welfare spending, and the limit on tax-supported debt. The current biennial budget is within all of these limits.

Like in all states, the onset of the global pandemic softened revenues in Texas across the categories, particularly in fiscal year 2020. Though its effects continued to be felt broadly in the state's fiscal year 2021 (August year-end), the state's budget performance sharply rebounded with its principal revenue stream--sales tax--up 5.6% (budgetary basis) relative to fiscal year 2020. In total, general revenue-related revenues were up 6.2%. The state's budgetary resilience reflects in part its continued robust economic growth, we anticipate will continue within our outlook period.

We believe the size of the state's accumulated reserves provides a source of flexibility that very few states have maintained during the most recent recession. Furthermore, we believe that Texas' very strong revenue forecasting and cash-flow monitoring tools, which include comprehensive monthly reports on its general revenue and pooled cash, coupled with state authorities' willingness to maintain strong liquidity to meet Texas' constitutionally defined priorities, including the repayment of debt service, provide an important source of strength and stability to the rating. Finally, we believe the state has relatively broad authority to cut services, which can also provide additional flexibility to manage its liquidity position during periods of budgetary stress.

Longer term, Texas' ability to continue supporting public education and health care costs--its two largest programs--while addressing long-term liabilities and infrastructure demands, will depend on the relative weight legislators place on the current need for a tax or fee increase against curtailing these current investments in the future, most acutely if forecasted revenues ultimately fall short of projections.

Fiscal 2021 (GAAP basis)

At the close of 2021, general fund revenue collections totaling $135.5 billion exceeded total expenditures (including net of other financing sources and uses) by $7.89 billion, or approximately 6.2%, supported in part by strong tax revenue collections. The state had approximately $62.89 billion in total governmental cash and cash equivalents, of which $54 billion was in the general fund, which provided very strong liquidity.

Based on the analytic factors we evaluate for states, on a four-point scale in which '1.0' is the strongest and '4.0' is the weakest, we have assigned Texas a budgetary performance score of '1.2'.

Debt And Liability Profile

GO debt has a priority claim on general fund revenues not constitutionally dedicated for other purposes, including education and state highways. A two-thirds vote of both houses of the state legislature and a majority of voters must approve debt, resulting in a very low debt burden, in our view. According to the state's "Debt Affordability Study" (published February 2022), approximately $2.65 billion in nonself-supporting debt is expected to be issued between 2022-2026. This remains below the policy target of 2% of the state's unrestricted general revenue. As a result, we expect that the state's overall debt ratios will remain stable, especially given an approach to debt issuance that we consider historically conservative. This includes an emphasis on the issuance of self-supporting debt and the use of the state's debt affordability as a guideline to evaluate the effects of debt service costs on Texas' financial position. In our view, the state's debt service costs are low at 2.6% of total governmental expenditures (less federally supported expenditures) with total tax-supported debt at approximately $355 per capita at fiscal year-end 2021.

Pension and other postemployment benefit (OPEB) liabilities

Texas' unfunded pension liability represents its collective proportionate share in several pension plans, of which the TRS and ERS are the largest. The state is a contributing employer and contributing nonemployer to TRS, for which its allocable share is collectively 67.85% (measured as of Aug. 31, 2020, and reflected in the state's annual comprehensive report). The overall three-year average pension funded ratio improved to 74% from 70% from the previous year, which we view as relatively low but improving. (For our three-year average pension funded ratio, we included the TRS and ERS latest valuations.) The improvement in the overall funded ratio is as a result or TRS' very strong investment results in fiscal year 2021 of nearly 25%, improving the systems' plan net position as a percentage of total liability to 88.79% from 75.54%. Additionally, in our view, legislative changes enacted in 2019 to contributions should improve funding progress with minimal effect on affordability for participating issuers. However, as noted in our "Pension Spotlight: Texas" (published Feb. 25, 2020), both TRS and ERS feature poor funding discipline as a result of low statutory contribution rates, which has led to weak funded status and a projected depletion of plan assets. Additionally, in our view, ERS' assumed rate of return of 7% is aggressive for a plan with fixed liabilities resting completely on the state, though a decline from the previous rate of 7.5%. TRS' assumed rate of return of 7.25%, in our view, is high, which could lead to market-driven contribution volatility relative to typical tolerance levels around the country.

To strengthen ERS' long-term stability, the state enacted legislation (Senate Bill 321), which requires it to make actuarially determined contributions necessary to amortize the system's unfunded accrued liability by Aug. 31, 2054 (30 years). Contributions are in addition to the state's standing 9.5% statutory contribution. Additionally, for employees hired after Sept. 1, 2022, they will now be part of a new defined-benefit structure akin to a 401(k) plan known as a cash balance plan. In our view, this action provides a path to ensure ERS' growing liability is curbed and eventually resulting in stronger funding discipline and actuarial soundness.

Texas manages its OPEB obligations on a pay-as-you-go basis, typical of most states. Based on 2021 OPEB information, the combined net liability totals $52 billion (including 57% of the TRS liability) is moderately high at roughly $1,740 per capita. The benefits of TRS-Care are financed through a combination of retiree premiums and percentage-of-payroll contributions from active employees, local school districts, and the state.

Although OPEB benefits are not constitutionally protected in Texas, we believe the primary constituency covered by the plan makes modification politically difficult.

Based on the analytic factors we evaluate for states, on a four-point scale in which '1.0' is the strongest and '4.0' is the weakest, we have assigned Texas a debt and liability score of '2.3'. This reflects an improvement from '2.6' due in part from the decrease unfunded pension liability.

Related Research

- Through The ESG Lens 3.0: The Intersection Of ESG Credit Factors And U.S. Public Finance Credit Factors, March 2, 2022

Ratings Detail (As Of March 23, 2022)		
Texas college student loan bonds (Texas) ser 2020A due 08/01/2043		
Long Term Rating	AAA/Stable	Affirmed
Texas college student loan rfdg bonds (Texas) ser 2020B due 08/01/2034		
Long Term Rating	AAA/Stable	Affirmed
Texas GO		
Long Term Rating	AAA/Stable	Affirmed
Texas GO		
Long Term Rating	AAA/Stable	Affirmed
Texas GO		
Long Term Rating	AAA/Stable	Affirmed
Texas GO		
Long Term Rating	AAA/Stable	Affirmed
Texas ICR		
Long Term Rating	AAA/Stable	Affirmed
Texas Dept of Transp, Texas		
Texas		
Texas Dept of Transp (Texas) GO		
Long Term Rating	AAA/Stable	Affirmed
Texas Econ Dev Bank, Texas		
Texas		
Texas Econ Dev Bank (Texas) ser 2005A		
Long Term Rating	AAA/A-1+/Stable	Affirmed
Unenhanced Rating	NR(SPUR)	
Texas Econ Dev Bank (Texas) GO ser 2005B		
Long Term Rating	AAA/A-1+/Stable	Affirmed
Unenhanced Rating	NR(SPUR)	
Texas Hgr Ed Coordinating Brd, Texas		
Texas		
Texas Hgr Ed Coordinating Brd (Texas)		

Ratings Detail (As Of March 23, 2022) (cont.)		
Long Term Rating	AAA/Stable	Affirmed
Texas Hgr Ed Coordinating Brd (Texas)		
Long Term Rating	AAA/Stable	Affirmed
Texas Hgr Ed Coordinating Brd (Texas) GO bnds coll stud loan rfdg bnds (State of Texas) ser 2019 dtd 06/15/2019 due 08/01/2033		
Long Term Rating	AAA/Stable	Affirmed
Texas Hgr Ed Coordinating Brd (Texas) GO Equiv		
Long Term Rating	AAA/Stable	Affirmed
Texas Hgr Ed Coordinating Brd (Texas) (GO bnds) coll stud loan bnds		
Long Term Rating	AAA/Stable	Affirmed
Texas Hgr Ed Coordinating Brd (Texas) (GO bnds) coll stud loan rfdg bnds		
Long Term Rating	AAA/Stable	Affirmed
Texas Pub Fin Auth, Texas		
Texas		
Texas Pub Fin Auth (Texas) go rfdg bnds, taxable (Texas) (Taxable) ser 2014B dtd 07/08/2014 due 08/01/2035		
Long Term Rating	AAA/Stable	Affirmed
Texas Pub Fin Auth (Texas) lse rev bnds (taxable) (State of Texas) ser 2021 due 02/01/2041		
Long Term Rating	AA+/Stable	Affirmed
Texas Pub Fin Auth (Texas) lse rev [and rfdg] bnds (State of Texas) ser 2020 due 02/01/2040		
Long Term Rating	AA+/Stable	Affirmed
Texas Pub Fin Auth (Texas) lse rev [and rfdg] bnds, taxable (State of Texas) ser 20 due 02/01/2040		
Long Term Rating	AA+/Stable	Affirmed
Texas Pub Fin Auth (Texas) APPROP		
Long Term Rating	AA+/Stable	Affirmed
Texas Pub Fin Auth (Texas) APPROP		
Long Term Rating	AA+/Stable	Affirmed
Texas Pub Fin Auth (Texas) APPROP		
Long Term Rating	AA+/Stable	Affirmed
Texas Pub Fin Auth (Texas) GO		
Long Term Rating	AAA/Stable	Affirmed
Texas Pub Fin Auth (Texas) GO		
Long Term Rating	AAA/Stable	Affirmed
Texas Pub Fin Auth (Texas) GOEQUIV		
Long Term Rating	AAA/Stable	Affirmed
Texas Pub Fin Auth (Texas) GOEQUIV		
Long Term Rating	AAA/Stable	Affirmed
Texas Pub Fin Auth (Texas) GO		
Long Term Rating	AAA/Stable	Affirmed
Texas Pub Fin Auth (Texas) GO & rfdg bnds		
Long Term Rating	AAA/Stable	Affirmed
Texas Pub Fin Auth (Texas) GO & rfdg bnds, taxable (State of Texas)		
Long Term Rating	AAA/Stable	Affirmed
Texas Transp Comm, Texas		
Texas		

Ratings Detail (As Of March 23, 2022) (cont.)		
Texas Transp Comm (Texas) GO		
Long Term Rating	AAA/Stable	Affirmed
Texas Transp Comm (Texas) GO		
Long Term Rating	AAA/Stable	Affirmed
Texas Transp Comm (Texas) GO		
Long Term Rating	AAA/Stable	Affirmed
Texas Transp Comm (Texas) GO		
Long Term Rating	AAA/Stable	Affirmed
Texas Transp Comm (Texas) GO		
Long Term Rating	AAA/Stable	Affirmed
Texas Transp Comm (Texas) GO RMKT ser 2014-B		
Long Term Rating	AAA/Stable	Affirmed
Texas Transp Comm (Texas) GO (Private Placement)		
Long Term Rating	AAA/Stable	Affirmed
Texas Vets Land Brd, Texas		
Texas		
Texas Vets Land Brd (Texas) GO equiv		
Long Term Rating	AAA/Stable	Affirmed
Texas Vets Land Brd (Texas) GO Equiv		
Long Term Rating	AAA/Stable	Affirmed
Texas Vets Land Brd (Texas) GO Equiv		
Long Term Rating	AAA/Stable	Affirmed
Texas Vets Land Brd (Texas) GO Equiv		
Long Term Rating	AAA/Stable	Affirmed
Texas Vets Land Brd (Texas) GO Equiv		
Long Term Rating	AAA/Stable	Affirmed
Texas Vets Land Brd (Texas) GO Equiv		
Long Term Rating	AAA/Stable	Affirmed
Texas Vets Land Brd (Texas) GO Equiv		
Long Term Rating	AAA/Stable	Affirmed
Texas Vets Land Brd (Texas) (Veterans) GO Equiv		
Long Term Rating	AAA/Stable	Affirmed
Texas Vets Land Brd (Texas) (Veterans) GO Equiv		
Long Term Rating	AAA/Stable	Affirmed
Texas Vets Land Brd (Texas) (Veterans) GO Equiv		
Long Term Rating	AAA/Stable	Affirmed
Texas Vets Land Brd (Texas) (Vets Hsg) GO		
Long Term Rating	AAA/Stable	Affirmed
Texas Vets Land Brd (Texas) (Vets Hsg) GO equiv		
Long Term Rating	AAA/Stable	Affirmed
Short Term Rating	NR	Affirmed
Texas Vets Land Brd (Texas) (Vets Hsg) GO Equiv		
Long Term Rating	AAA/Stable	Affirmed
Texas Vets Land Brd (Texas) (Vets Hsg) GO Equiv		

Ratings Detail (As Of March 23, 2022) (cont.)		
Long Term Rating	AAA/Stable	Affirmed
Texas Vets Land Brd (Texas) (Vets Hsg) GO Equiv		
Long Term Rating	AAA/Stable	Affirmed
Texas Vets Land Brd (Texas) (Vets Hsg) GO 2003A		
Long Term Rating	AAA/Stable	Affirmed
Texas Vets Land Brd (Texas) (Vets) GO		
Long Term Rating	AAA/Stable	Affirmed
Texas Wtr Dev Brd, Texas		
Texas		
Texas Wtr Dev Brd (Texas) GO		
Long Term Rating	AAA/Stable	Affirmed
Texas Wtr Dev Brd (Texas) GO		
Long Term Rating	AAA/Stable	Affirmed
Texas Wtr Dev Brd (Texas) GO		
Long Term Rating	AAA/Stable	Affirmed
Texas Wtr Dev Brd (Texas) GO		
Long Term Rating	AAA/Stable	Affirmed
Texas Wtr Dev Brd (Texas) GO		
Long Term Rating	AAA/Stable	Affirmed
Texas Wtr Dev Brd (Texas) GO		
Long Term Rating	AAA/Stable	Affirmed
Texas Wtr Dev Brd (Texas) GO		
Long Term Rating	AAA/Stable	Affirmed
Texas Wtr Dev Brd (Texas) GO		
Long Term Rating	AAA/Stable	Affirmed
Texas Wtr Dev Brd (Texas) GO		
Long Term Rating	AAA/Stable	Affirmed
Texas Wtr Dev Brd (Texas) GO		
Long Term Rating	AAA/Stable	Affirmed
Texas Wtr Dev Brd (Texas) GO		
Long Term Rating	AAA/Stable	Affirmed
Texas Wtr Dev Brd (Texas) GOEQUIV		
Long Term Rating	AAA/Stable	Affirmed
Texas Wtr Dev Brd (Texas) GOEQUIV		
Long Term Rating	AAA/Stable	Affirmed
Texas Wtr Dev Brd (Texas) GOEQUIV		
Long Term Rating	AAA/Stable	Affirmed
Texas Wtr Dev Brd (Texas) GOEQUIV		
Long Term Rating	AAA/Stable	Affirmed
Texas Wtr Dev Brd (Texas) GOEQUIV		
Long Term Rating	AAA/Stable	Affirmed