

PRICING NOTICE

**RELATING TO THE
INVITATION TO TENDER BONDS DATED FEBRUARY 20, 2024**

**made by
TEXAS TRANSPORTATION COMMISSION
to the Bondowners described herein of
all or any portion of the maturities listed on page 2 herein of**

**TEXAS TRANSPORTATION COMMISSION
STATE OF TEXAS
HIGHWAY IMPROVEMENT
GENERAL OBLIGATION REFUNDING BONDS,
TAXABLE SERIES 2019
(BASE CUSIP: 882724)**

**TEXAS TRANSPORTATION COMMISSION
STATE OF TEXAS
HIGHWAY IMPROVEMENT
GENERAL OBLIGATION REFUNDING BONDS,
TAXABLE SERIES 2020
(BASE CUSIP: 882830)**

The purpose of this Pricing Notice dated February 27, 2024 (the "Pricing Notice") is to publish the Fixed Spreads for the Target Bonds. All other terms relating to the Invitation (hereinafter defined) remain unchanged.

Pursuant to the Invitation to Tender Bonds dated February 20, 2024 (as it may be amended or supplemented, the "**Invitation**"), Texas Transportation Commission (the "**Commission**"), invited Bondowners to tender Target Bonds for cash at the applicable Offer Purchase Prices based on a Fixed Spread to be added to the yields on certain benchmark United States Treasury Securities set forth in this Pricing Notice, plus Accrued Interest on the Target Bonds tendered for purchase to but not including the Settlement Date. Notwithstanding the preceding sentence, in no event will an offer Purchase Price for any Target Bonds exceed 100% of the principal amount of such Target Bonds. See Section 2, "Information to Bondowners - Tender Consideration - Determination of Offer Purchase Prices" in the Invitation. All terms used herein and not otherwise defined are used as defined in the Invitation.

As set forth in the Invitation, the Commission retains the right to extend the Tender Offer, or amend the terms of the Tender Offer (including a waiver of any term) in any material respect, provided, that the Commission shall provide notice thereof at such time and in such manner to allow reasonable time for dissemination to Bondowners and for Bondowners to respond. In such event, any offers submitted with respect to the affected Target Bonds prior to such change in the Fixed Spreads for such Target Bonds pursuant to the Invitation will remain in full force and effect and any Bondowner of such affected Target Bonds, as applicable, wishing to revoke their offer with respect to such Target Bonds for purchase must affirmatively withdraw such offer prior to the Expiration Date.

The Invitation, including the Preliminary Official Statement dated February 20, 2024 relating to the Commission's State of Texas Highway Improvement General Obligation Refunding Bonds, Series 2024 is available: (i) at the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access website, currently located at <http://emma.msrb.org>, using the CUSIP numbers for the Target Bonds, and (ii) on the website of the Information Agent and Tender Agent at www.globic.com/txdot.

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

TENDER OFFER – FIXED SPREADS

Pursuant to the Invitation, the Fixed Spreads for the Target Bonds are listed below. There has been no change in the Indicative Fixed Spreads listed in page (ii) of the Invitation.

**TEXAS TRANSPORTATION COMMISSION
STATE OF TEXAS HIGHWAY IMPROVEMENT GENERAL OBLIGATION REFUNDING BONDS,
TAXABLE SERIES 2019**

CUSIP No⁽¹⁾	Maturity Date (April 1)	Average Life Date⁽²⁾	Interest Rate (%)	Outstanding Principal Amount	Par Call Date	Benchmark Treasury Security⁽³⁾	Fixed Spreads
882724QD2	2025	N/A	4.000	\$3,795,000	N/A	2-Year	+0.0 bps
882724QE0	2026	N/A	4.000	3,945,000	N/A	2-Year	+0.0 bps
882724QF7	2027	N/A	4.000	4,100,000	N/A	3-Year	+0.0 bps
882724QG5	2028	N/A	3.000	33,070,000	N/A	5-Year	-25.0 bps
882724QH3	2029	N/A	3.000	34,065,000	N/A	5-Year	-22.0 bps
882724QJ9	2030	N/A	2.604	35,080,000	04/01/2029	7-Year	-17.0 bps
882724QK6	2031	N/A	2.704	36,000,000	04/01/2029	7-Year	-12.5 bps
882724QL4	2032	N/A	2.804	36,970,000	04/01/2029	10-Year	-10.0 bps
882724QM2	2033	N/A	2.884	38,005,000	04/01/2029	10-Year	-5.0 bps
882724QN0	2034	N/A	2.964	39,105,000	04/01/2029	10-Year	+3.0 bps
882724QP5	2044	09/02/2039	3.211	427,655,000	04/01/2029	10-Year	+39.0 bps

**TEXAS TRANSPORTATION COMMISSION
STATE OF TEXAS HIGHWAY IMPROVEMENT GENERAL OBLIGATION REFUNDING BONDS,
TAXABLE SERIES 2020**

CUSIP No⁽¹⁾	Maturity Date (April 1)	Average Life Date⁽²⁾	Interest Rate (%)	Outstanding Principal Amount	Par Call Date	Benchmark Treasury Security⁽³⁾	Fixed Spreads
882830AP7	2042	08/12/2038	2.562	\$325,755,000	04/01/2030	10-Year	+37.0 bps

The yields on the Benchmark Treasury Securities will be determined at approximately 10:00 a.m., ET, on March 6, 2024.

- (1) CUSIP is a registered trademark of FactSet. CUSIP data herein is provided by CUSIP Global Services, managed on behalf of the American Bankers Association by FactSet Research Systems Inc. The CUSIP numbers are being provided solely for the convenience of the owners of the Target Bonds and the Commission is not responsible for the selection or correctness of the CUSIP numbers printed herein and does not make any representation with respect to such numbers or undertake any responsibility for their accuracy.
- (2) Average life date is shown for the Target Term Bonds only. The Target Term Bonds will be priced to their respective average life dates.
- (3) Each Benchmark Treasury Security will be the most recently auctioned "on-the-run" United States Treasury Security for the maturity indicated as of the date and time that the Offer Purchase Price for the Target Bonds is set, currently expected to be approximately 10:00 a.m. ET on March 6, 2024.

Illustrative Offer Purchase Price Calculations: Treasury Security Yields as of February 26, 2024

The tables below provide examples of the Offer Purchase Price realized by a Bondowner that submits an offer based on the following yields for the Benchmark Treasury Securities as of February 26, 2024 and the Fixed Spreads. This example is being provided for convenience only and is not to be relied upon by a Bondowner as an indication of the Purchase Yield or Offer Purchase Price that may be paid by the Commission.

Based on these Treasury Security Yields, the following Offer Purchase Prices would be derived:

TEXAS TRANSPORTATION COMMISSION STATE OF TEXAS HIGHWAY IMPROVEMENT GENERAL OBLIGATION REFUNDING BONDS, TAXABLE SERIES 2019

CUSIP No ⁽¹⁾	Maturity Date (April 1)	Average Life Date ⁽²⁾	Interest Rate (%)	Outstanding Principal Amount	Par Call Date	Benchmark Treasury Security ⁽³⁾	Fixed Spreads	Illustrative Treasury Security Yield*	Illustrative Purchase Yield*	Illustrative Offer Purchase Price ^{(4)*}
882724QD2	2025	N/A	4.000	\$3,795,000	N/A	2-Year	+0.0 bps	4.723%	4.723%	99.295
882724QE0	2026	N/A	4.000	3,945,000	N/A	2-Year	+0.0 bps	4.723%	4.723%	98.629
882724QF7	2027	N/A	4.000	4,100,000	N/A	3-Year	+0.0 bps	4.491%	4.491%	98.632
882724QG5	2028	N/A	3.000	33,070,000	N/A	5-Year	-25.0 bps	4.314%	4.064%	96.100
882724QH3	2029	N/A	3.000	34,065,000	N/A	5-Year	-22.0 bps	4.314%	4.094%	95.090
882724QJ9	2030	N/A	2.604	35,080,000	04/01/2029	7-Year	-17.0 bps	4.316%	4.146%	91.872
882724QK6	2031	N/A	2.704	36,000,000	04/01/2029	7-Year	-12.5 bps	4.316%	4.191%	91.049
882724QL4	2032	N/A	2.804	36,970,000	04/01/2029	10-Year	-10.0 bps	4.281%	4.181%	90.710
882724QM2	2033	N/A	2.884	38,005,000	04/01/2029	10-Year	-5.0 bps	4.281%	4.231%	89.996
882724QN0	2034	N/A	2.964	39,105,000	04/01/2029	10-Year	+3.0 bps	4.281%	4.311%	89.143
882724QP5	2044	09/02/2039	3.211	427,655,000	04/01/2029	10-Year	+39.0 bps	4.281%	4.671%	84.072

TEXAS TRANSPORTATION COMMISSION STATE OF TEXAS HIGHWAY IMPROVEMENT GENERAL OBLIGATION REFUNDING BONDS, TAXABLE SERIES 2020

CUSIP No ⁽¹⁾	Maturity Date (April 1)	Average Life Date ⁽²⁾	Interest Rate (%)	Outstanding Principal Amount	Par Call Date	Benchmark Treasury Security ⁽³⁾	Fixed Spreads	Illustrative Treasury Security Yield*	Illustrative Purchase Yield*	Illustrative Offer Purchase Price ^{(4)*}
882830AP7	2042	08/12/2038	2.562	\$325,755,000	04/01/2030	10-Year	+37.0 bps	4.281%	4.651%	78.278

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(2) Average life date is shown for the Target Term Bonds only. The Target Term Bonds will be priced to their respective average life dates.

(3) Each Benchmark Treasury Security will be the most recently auctioned "on-the-run" United States Treasury Security for the maturity indicated as of the date and time that the Offer Purchase Price for the Target Bonds is set, currently expected to be approximately 10:00 a.m. ET on March 6, 2024.

(4) **FOR THE AVOIDANCE OF DOUBT, IF THE DETERMINED OFFER PURCHASE PRICE FOR ANY MATURITY AND CORRESPONDING CUSIP OF THE TENDERED BONDS IS MORE THAN 100%, THEN THE OFFER PURCHASE PRICE WILL BE CAPPED AT 100%. SEE Section 2, "Information to Bondowners – Tender Consideration - Determination of Offer Purchase Prices" in the Invitation.**

*Preliminary and subject to change.

Illustrative Offer Purchase Price Calculations: Interest Rate Sensitivity

As a measure of the sensitivity of the Offer Purchase Price to changes in the yield on the Benchmark Treasury Security, the following tables show the impact on the Offer Purchase Price of a 0.10% (10 basis point) movement in the yield of the Benchmark Treasury Security.

TEXAS TRANSPORTATION COMMISSION STATE OF TEXAS HIGHWAY IMPROVEMENT GENERAL OBLIGATION REFUNDING BONDS, TAXABLE SERIES 2019

CUSIP No ⁽¹⁾	Maturity Date (April 1)	Illustrative Purchase Yield Based on Treasury Security Yields as of February 26, 2024	Illustrative Offer Purchase Prices ^{(2)*}		
			Assuming a 0.10% Increase in Treasury Security Yields	Current Treasury Security Yield	Assuming a 0.10% Decrease in Treasury Security Yields
882724QD2	2025	4.723%	99.198	99.295	99.392
882724QE0	2026	4.723%	98.442	98.629	98.817
882724QF7	2027	4.491%	98.356	98.632	98.908
882724QG5	2028	4.064%	95.743	96.100	96.459
882724QH3	2029	4.094%	94.656	95.090	95.527
882724QJ9	2030	4.146%	91.372	91.872	92.376
882724QK6	2031	4.191%	90.481	91.049	91.622
882724QL4	2032	4.181%	90.074	90.710	91.350
882724QM2	2033	4.231%	89.301	89.996	90.698
882724QN0	2034	4.311%	88.393	89.143	89.900
882724QP5	2044	4.671%	83.098	84.072	85.060

TEXAS TRANSPORTATION COMMISSION STATE OF TEXAS HIGHWAY IMPROVEMENT GENERAL OBLIGATION REFUNDING BONDS, TAXABLE SERIES 2020

CUSIP No ⁽¹⁾	Maturity Date (April 1)	Illustrative Purchase Yield Based on Treasury Security Yields as of February 26, 2024	Illustrative Offer Purchase Prices ^{(2)*}		
			Assuming a 0.10% Increase in Treasury Security Yields	Current Treasury Security Yield	Assuming a 0.10% Decrease in Treasury Security Yields
882830AP7	2042	4.651%	77.385	78.278	79.182

⁽¹⁾ CUSIP is a registered trademark of FactSet. CUSIP data herein is provided by CUSIP Global Services, managed on behalf of the American Bankers Association by FactSet Research Systems Inc. The CUSIP numbers are being provided solely for the convenience of the owners of the Target Bonds and the Commission is not responsible for the selection or correctness of the CUSIP numbers printed herein and does not make any representation with respect to such numbers or undertake any responsibility for their accuracy.

⁽²⁾ **FOR THE AVOIDANCE OF DOUBT, IF THE DETERMINED OFFER PURCHASE PRICE FOR ANY MATURITY AND CORRESPONDING CUSIP OF THE TENDERED BONDS IS MORE THAN 100%, THEN THE OFFER PURCHASE PRICE WILL BE CAPPED AT 100%. SEE Section 2 "Information to Bondowners – Tender Consideration - Determination of Offer Purchase Prices" in the Invitation.**

**Preliminary and subject to change.*