

Resolution of the Texas Workforce Commission
Establishing the Unemployment Obligation Assessment
For Calendar Year 2017

Whereas, pursuant to Texas Labor Code, Chapter 203, Subchapter F, the Texas Public Finance Authority Unemployment Compensation Obligation Assessment Series 2014A and Series 2014B (the "Bonds") have been issued on behalf of the Texas Workforce Commission (the "Commission") and are outstanding; and

Whereas, pursuant to Texas Labor Code, Section 203.105, the Commission shall set the unemployment obligation assessment rate in an amount sufficient to ensure timely payment of Bond Obligations, consisting of the principal, premium if any, interest on the Bonds and bond administrative expenses; and

Whereas, the rate of the unemployment obligation assessment must be based on the formula prescribed in Commission rule 815.132 (40 Tex. Admin. Code, §815.132); and

Whereas, in accordance with the Financing and Pledge Agreement entered into by and between the Commission and the Texas Public Finance Authority (the "Authority"), in connection with the Bonds, the Commission has covenanted to impose an unemployment obligation assessment so long as Bonds are outstanding in an amount not less than 1.50 times the debt service amount due in the next year; and

Whereas, the Authority has provided notification of the required unemployment obligation assessment of \$309,742,586 for calendar year 2017; and

Whereas, the Commission has calculated an obligation assessment ratio by dividing the obligation assessment amount by the tax due from the General and Replenishment rates for the four quarters ending June 30, 2016;

Now, therefore, the Commission hereby RESOLVES:

1. In accordance with the formula provided in 40 Tex. Admin Code §815.132 as set out in part in subsection (e):
“(e) The rate of the portion of the assessment that is to be used to pay a bond obligation is a percentage of the product of the unemployment obligation assessment ratio and the sum of the employer’s prior year general tax rate, the replenishment tax rate and the deficit tax rate. The percentage to be determined by Commission resolution, shall not exceed 200%.” The “percentage” for 2017 is 100%.
2. The obligation assessment ratio is .17 for calendar year 2017.
3. The rate calculated with the 2017 percentage and the obligation assessment ratio will generate an amount that the Authority has informed the Commission is needed to pay Bond Obligations.
4. The 2017 percentage shall be published in the *Texas Register* on November 18, 2016.

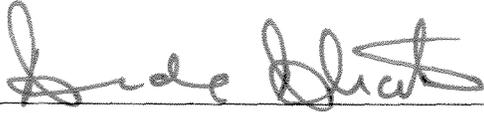
Further, the Commission hereby CERTIFIES:

1. The 2017 percentage as set herein is set in accordance with the requirements of Chapter 203 of the Texas Labor Code.

2. The 2017 percentage is a rate that will provide at least 1.50 times the debt service amount, as determined by the Authority, due in calendar year 2017.

3. The action of the Commission reflected in this Resolution complies with the requirements in Chapter 203 of Texas Labor Code.

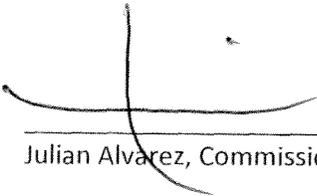
Signed this 8th day of November, 2016, upon the affirmative vote of a majority of the Commission present and voting.



Andres Alcantar, Chairman and Commissioner Representing the Public



Ruth R. Hughs, Commissioner Representing Employers



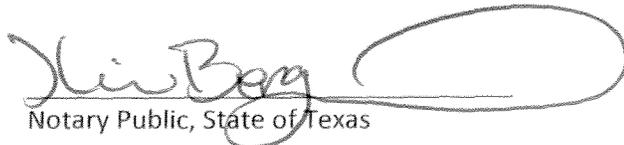
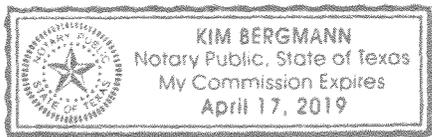
Julian Alvarez, Commissioner Representing Labor

Attested:



(Secretary or other appropriate officer/employee of the Commission)

SWORN AND SUBSCRIBED TO before me this 8th day of November, 2016.



Notary Public, State of Texas