The Texas PSF is Up Against a Federally Allocated Cap

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- The Texas Permanent School Fund (Aaa/AAA/AAA) is very close to reaching a federal allocated cap.
- The potential for extension by the federal government and what that timing could look like is currently unknown. It is not a certainty that the capacity will be increased.
- We are currently not expecting credit or rating pressure on bond issues already enhanced by the Texas Permanent School Fund. We are also not currently expecting credit or rating pressure to underlying ratings as a direct result of the cap expiration.

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