

## Tax-Exempt Financing Defense Continues; Sixth Workshop Scheduled in Atlanta

The Public Financing Network, of which IBTTA is an active member, continues its drive to make sure legislators and public officials fully understand the relationship between infrastructure needs and tax-exempt financing of public works projects at State and local levels.

The sixth public financing workshop now has been scheduled for September 18 in Atlanta, GA, following five earlier well-attended programs. The Network is tracking Federal legislation which could further affect municipal bond financing as well as other fiscal matters such as the savings and loan bailout bill and current appropriations bills.

In another survey, the Network has found that seven States have passed resolutions memorializing Congress to propose a constitutional amendment to preserve tax-exemption by clarifying that Congress does not have the power to tax the interest from State and local bonds used for governmental undertakings. These resolutions are modeled on Senator Roth's (R., DE) Senate Joint Resolution 28.

These seven States have acted: Idaho, New Mexico, North Dakota, Oklahoma, South Carolina, Texas and Utah. Two of these States—Oklahoma and Texas—utilize municipal bond financing for their toll road capital projects.

Meanwhile, the National Association of Bond Lawyers submitted its initial comments on July 13 on the Arbitrage Rebate Regulations recently issued by the U.S. Treasury Dept. The comments state that "the Rebate Regulations, taken as a whole, are far too complex and intricate to be generally understood by most government officials charged with the responsibility for compliance over the terms of an issue." More detailed comments will be offered by NABL by September 14, and the association has also requested that IRS hold a hearing on the pending regs.

## Texas Toll Road Rewards Driver As 25 Millionth Patron

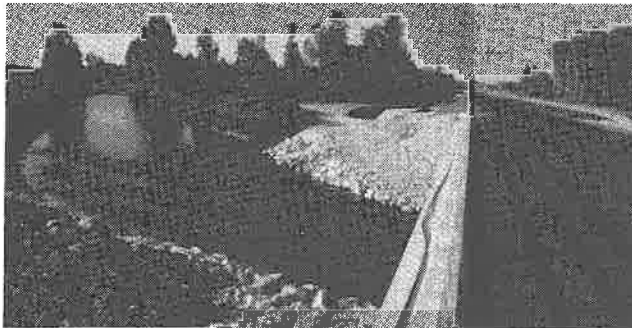
What seemed like a routine drive quickly transpired into the 25 Millionth Patron of the Harris County Toll Road Authority, and a windfall for David Parrington, the University of Houston diving coach.

The astonished patron was greeted and honored by Harris County Judge Jon Lindsay and Wesley E. Freise, the Executive Director of the Harris County Toll Road Authority (HCTRA), along with scores of media people.

As the 25 millionth patron of the Harris County Toll Road Authority, Parrington received free airfare for two to see the exciting San Antonio Grand Prix Auto Race, a free weekend at one of Houston's finest hotels, along with a summer family pass to Splashtown USA, a popular Houston amusement park.

The Harris County toll roads (The 21.7 mile Hardy Toll Road and the 28.5 mile Sam Houston Tollway) have consistently increased their traffic count since September 1987, when the northern section of the Hardy Toll Road went into operation. (In March 1988, HCTRA celebrated their one millionth patron.)

## A-31 Highway in France Now Open; Clears North-South European Route



*A view of the unspoiled countryside traversed by Auto-route A31, operated by SAPRR in France.*

From the North to the South of Europe without any red lights!

Opened at the end of June, the Société des Autoroutes Paris-Rhin-Rhône (S.A.P.R.R.) A31 highway running from the North East part of France to Beaune (the heart of Burgundy) is now finished. This enables drivers to go from the very North of Europe to the South (Riviera, Italy and Spain) without the inconvenience of a single red light.

This new section of 43 kilometers from Til-Chatel to Gevrey-Chambertin, is the last link to the crossroads of Europe. Thanks to this new highway, hectic traffic jams around Dijon will be resolved and there will be continuous, uninterrupted flow of traffic, even in the summer months.

## Virginia Board Approves Private Toll Road for Dulles Extension

Virginia's Commonwealth Transportation Board has ok'ed the application of the Toll Road Corporation of Virginia, a private consortium which includes IBTTA Associate Member Parsons Brinckerhoff Quade & Douglas, to build a 15-mile extension of the Dulles Toll Road west to Leesburg.

The approval, permitted by a 1988 law, would permit the first private toll road in the State since 1816. It may trigger serious consideration of other needed transportation projects in Virginia as toll projects.

The permit has some stringent conditions, including a construction deadline and a cost ceiling, along with preferences for easy access at the five interchanges that may require purchase of additional land. The company does not have the power of eminent domain, so it must negotiate with landowners for every piece of property along the route. It also must clear its toll rates with the State's Corporation Commission.

The toll road plan is "innovative and creative," said Virginia Transportation Commissioner Ray D. Pethtel. The State agency, an Active IBTTA member, had indicated willingness to build the extension using its Dulles Toll Road surplus for partial funding. It now will consider using that money to widen the existing road, designate car pool lanes and improving interchanges and overpasses.

Company spokesmen hope to break ground for the new road before the end of 1989 and to open for business by late 1991.