

General obligation bonds are backed by the full faith and credit of the State and, pursuant to the State Constitution, they must be fully paid within 15 years from the date of issue.

General obligation bonds outstanding and bonds authorized but unissued (amounts expressed in thousands) as of June 30, 1979 were as follows:

| Purpose | Outstanding | | Authorized But Unissued |
|--|----------------|--------------------|-------------------------|
| | Interest Rates | Amount | Amount |
| General construction | 3.0% to 6.0% | \$ 615,070 | \$304,362 |
| Public school construction | 3.0% to 6.2% | 1,057,390 | 230,410 |
| Water quality | 4.3% to 6.0% | 106,430 | 165,278 |
| Sanitary facilities and sewage treatment ... | 3.0% to 6.2% | 36,035 | 8,126 |
| Hospitals and nursing homes | 3.0% to 5.8% | 24,380 | 1,000 |
| Community colleges and vocational schools . | 3.0% to 5.5% | 70,610 | 12,842 |
| Airport development | 3.0% to 4.9% | 28,975 | |
| Housing loans | 4.8% to 5.8% | 40,375 | 17,500 |
| Maryland Port Authority Loans | 3.0% to 6.2% | 24,645 | |
| Other | 4.9% to 6.0% | 150,165 | 174,789 |
| | | <u>\$2,154,075</u> | <u>\$914,307</u> |

As of June 30, 1979, general obligation debt service requirements for principal and interest (amounts expressed in thousands) in future years were as follows:

| Years Ending June 30, | Principal | Interest | Total |
|--------------------------|-----------|-----------|-----------|
| 1980 | \$162,255 | \$106,799 | \$269,054 |
| 1981 | 176,140 | 98,905 | 275,045 |
| 1982 | 184,575 | 90,284 | 274,859 |
| 1983 | 183,595 | 81,236 | 264,831 |
| 1984 | 185,585 | 72,037 | 257,622 |
| 1985 | 185,205 | 62,713 | 247,918 |
| 1986 | 189,930 | 53,227 | 243,157 |
| 1987 | 178,595 | 43,706 | 222,301 |
| 1988 | 167,075 | 34,695 | 201,770 |
| 1989 | 155,830 | 26,011 | 181,841 |
| 1990 | 147,225 | 17,783 | 165,008 |
| 1991 | 115,495 | 10,188 | 125,683 |
| 1992 | 77,600 | 4,745 | 82,345 |
| 1993 | 33,260 | 1,681 | 34,941 |
| 1994 | 11,710 | 322 | 12,032 |

11. Transportation Bonds

Consolidated Transportation Bonds are limited obligations issued by the Department of Transportation for highway, port, airport or mass transit facilities or any combination of such facilities, the principal of which must be paid within 15 years from the date of issue. The outstanding aggregate principal amount of these bonds, plus outstanding Maryland Port Authority Loans (See Note 10) may not by law exceed \$950,000,000. At June 30, 1979, the principal amount of additional bonds which may be issued under this limitation was \$570,490,000.

Debt service on Consolidated Transportation Bonds is payable from 2¢ of the 9¢-per gallon excise tax on motor vehicle fuel and those portions of the remainder of that tax, the motor vehicle titling tax, all mandatory motor vehicle registration fees and the corporate income tax, as are credited to the Department and are not required to meet pledges to debt service on outstanding Maryland Port Authority Loans, plus all departmental operating revenues and receipts. The holders of such bonds are not entitled to look to other State resources for payment. The Department has covenanted with the holders of outstanding Consolidated Transportation Bonds not to issue additional bonds unless the amount of revenues less expenditures from departmental operations in the preceding fiscal year that is available for debt service on the bonds to be issued, is equal to at