

8. Property, Plant and Equipment:

Property, plant and equipment (amounts expressed in thousands) consisted of the following as of June 30, 1980:

Other Enterprise Funds:

Land and improvements	\$ 3,850
Structures and improvements	669,563
Equipment	2,514
Construction in process	13,875
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	689,802
Less accumulated depreciation	3,139
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	<u>\$686,663</u>

Higher Education and University Hospital Funds:

Land	\$ 45,357
Buildings and improvements	581,399
Contents	226,777
Construction in progress	31,066
Hospital building and contents (including construction in progress of \$3,520), net of accumulated depreciation of \$18,205	36,044
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	<u>\$920,643</u>

Nonexpendable Trust Funds:

Equipment, net of accumulated depreciation of \$81	\$ 79
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General Fixed Assets:

Land	\$ 283,520
Buildings and improvements	704,690
Equipment	279,385
Construction in progress	507,998
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	<u>\$1,775,593</u>

9. General Obligation Bonds:

General obligation bonds are authorized and issued primarily to provide funds for state owned capital improvements, including facilities for institutions of higher learning, and the construction of public schools in political subdivisions. Bonds have also been issued for local governmental improvements, including grants and loans for water quality improvement projects and correctional facilities, and to provide funds for repayable loans or outright grants to private, not-for-profit cultural or educational institutions. Under constitutional requirements and practice, the Maryland General Assembly, by a separate enabling act, authorizes a loan for a particular object or purpose. Thereafter the Board of Public Works, a constitutional body composed of the Governor, the Comptroller of the Treasury and the State Treasurer, by resolution authorizes the issuance of bonds in a specified amount for part or all of the loan authorized by a particular enabling act.

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.