

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.

General obligation bonds outstanding and bonds authorized but unissued (amounts expressed in thousands) as of June 30, 1982 were as follows:

Purpose	Outstanding		Authorized But Unissued
	Interest Rates	Amount	Amount
General construction	3.70% to 11.30%	\$ 680,805	\$327,894
Public school construction	3.70% to 11.30%	1,050,765	131,350
Water quality	4.40% to 6.25%	116,255	127,479
Sanitary facilities and sewage treatment	3.70% to 9.20%	14,475	6,705
Hospitals and nursing homes	3.70% to 9.20%	10,610	
Community colleges and vocational schools	3.70% to 5.75%	49,255	8,800
Airport development	3.70% to 4.90%	20,080	
Housing loans	4.25% to 11.30%	72,340	5,003
Maryland Port Authority loans	3.70% to 11.30%	13,430	
Other	3.70% to 11.30%	179,645	191,902
		\$2,207,660	\$799,133

As of June 30, 1982, general obligation debt service requirements for principal and interest (amounts expressed in thousands) in future years were as follows:

Years Ending June 30,	Total	Years Ending June 30,	Total
1983	\$317,415	1990	\$244,031
1984	329,931	1991	204,394
1985	328,014	1992	135,361
1986	323,129	1993	87,798
1987	302,036	1994	64,681
1988	281,332	1995	52,501
1989	261,121	1996	39,323
		1997	23,916

On July 1, 1982, General Obligation Bonds aggregating \$140,495,000 were issued. The interest rates on this issue range from 11.0% to 11.2% and the bonds mature serially through 1997. In connection with this issue the state held a deposit from the purchaser of the debt in the amount of \$2,810,000 at June 30, 1982.

On November 10, 1982, General Obligation Bonds aggregating \$126,735,000 were sold. The interest rates on this issue range from 8.3% to 8.4% and the bonds mature serially through 1997.