

As of June 30, 1988, general obligation debt service requirements for principal and interest in future years were as follows (amounts expressed in thousands):

Years Ending June 30,	Total	Years Ending June 30,	Total
1989	\$390,771	1997	\$178,131
1990	381,944	1998	153,284
1991	357,869	1999	101,603
1992	288,838	2000	86,485
1993	241,409	2001	68,993
1994	218,888	2002	53,556
1995	206,422	2003	34,891
1996	193,297		

On October 25, 1988, general obligation bonds aggregating \$80,000,000 were issued with a discount of \$482,000. The interest rates on this issue range from 6.0% to 7.0% and the bonds mature serially through 2003.

**10. Transportation Bonds:**

Transportation Bonds outstanding as of June 30, 1988, were as follows (amounts expressed in thousands):

	Outstanding
Consolidated Transportation Bonds — 5.2% to 9.0%, due serially through 2001 .....	\$227,000
County Transportation Bonds — 4.0% to 5.6% Refunding Series, due serially 1988 through 1997 .....	28,380
County Transportation Bonds — 5.3% to 11.0%, due serially through 2002 .....	133,520
	\$388,900

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 may not by law exceed \$950,000,000. At June 30, 1988, the principal amount of additional bonds which may be issued under this limitation was \$723,000,000.

Consolidated Transportation Bonds are paid from the transportation debt service fund except for the Bond Anticipation Notes (none outstanding at June 30, 1988) which are paid from the proceeds of Consolidated Transportation Bonds which are deposited in the special revenue fund. Principal of and interest on Consolidated Transportation Bonds are payable from the proceeds of certain excise taxes levied by statute and the corporate income tax as credited to the Department. These amounts are applicable to the extent necessary for that exclusive purpose before being available for other uses by the Department. If those tax proceeds become insufficient to meet debt service requirements, other receipts of the Department are available for that purpose. The holders of such bonds are not entitled to look to other State resources for payment.

Under the terms of authorizing bond resolutions, additional Consolidated Transportation Bonds may be issued, provided, among other conditions, that (i) total receipts (excluding federal funds for capital projects, bond and note proceeds, income received from a sinking fund separately dedicated to the Refunding Bonds, and other receipts not available for debt service), less administration, operation and maintenance expenses, for the preceding fiscal year equal at least two times the maximum annual debt service on all Consolidated Transportation Bonds outstanding and to be issued and that (ii) total proceeds from pledged taxes equal at least two times the maximum annual debt service on all Consolidated Transportation Bonds outstanding and to be issued.

County Transportation Bonds are issued by the Department and the proceeds are used by participating counties and Baltimore City to fund local road construction, reconstruction and other transportation projects and facilities and to provide local participating funds for federally aided highway projects. Debt service on these bonds is payable from the counties' and Baltimore City's shares of highway user revenues.