

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.

By law, the Department may not issue County Transportation Bonds on behalf of a participant if such participant's share of highway user revenues for the latest fiscal year is less than twice such participant's maximum annual debt service on County Transportation Bonds.

The proceeds of transportation bonds issued after December 31, 1986 are subject to Federal regulations governing the investment and use of proceeds of tax-exempt debt issuances.

During the year, Consolidated Transportation Bonds aggregating \$260,000,000 were issued with a discount of \$2,502,000 and County Transportation Bonds aggregating \$9,905,000 were issued with a discount of \$99,000.

As of June 30, 1990, Transportation bond debt service requirements for principal and interest in future years were as follows (amounts expressed in thousands):

Years Ending June 30,	Consolidated Transportation Bonds	County Transportation Bonds	Total Transportation Bond Debt Service Requirements
1991 .....	\$55,123	\$24,506	\$79,629
1992 .....	53,713	24,645	78,358
1993 .....	59,337	24,701	84,038
1994 .....	58,429	24,284	82,713
1995 .....	67,577	24,375	91,952
1996 .....	66,922	17,273	84,195
1997 .....	63,099	16,548	79,647
1998 .....	66,351	12,073	78,424
1999 .....	64,142	9,382	73,524
2000 .....	61,836	6,285	68,121
2001 .....	29,423	5,254	34,677
2002 .....	33,077	3,986	37,063
2003 .....	33,871	1,921	35,792
2004 .....	34,487	1,105	35,592
2005 .....	34,925		34,925

At June 30, 1990, \$548,905,000 of outstanding Consolidated Transportation Bonds, State Highway Construction and County Transportation Bonds are defeased and, therefore, are not included as long-term debt in the accompanying financial statements.

On August 1, 1990, Consolidated Transportation Bonds aggregating \$100,000,000 were issued with a discount of \$960,000. The interest rates on this issue range from 6.2% to 6.7% and mature serially through 2006. On October 31, 1990, Consolidated Transportation Bonds aggregating \$210,000,000 were issued with a discount of \$2,042,000. The interest rates on this issue range from 6.2% to 6.8% and mature serially through 2006.