

9. Long-Term Obligations

A. General Long-Term Debt:

Changes in general long-term debt, for the year ended June 30, 1995, are as follows (amounts expressed in thousands).

	General Obligation Bonds	Transportation Bonds	Maryland Transportation Authority Bonds	Accrued Self- Insurance Costs	Accrued Annual Leave	Obligations Under Capital Leases	Total Long-Term Obligations
Balance, July 1, 1994.....	\$2,504,004	\$1,046,135	\$302,541	\$101,495	\$131,725	\$113,564	\$4,199,464
Bond issuances.....	335,000	75,000	162,580				572,580
Bond accretion.....			2,886				2,886
New obligations under capital leases.....						16,872	16,872
Reduction in bond principal.....	(219,935)	(59,425)	(2,825)				(282,185)
Retirements of obligations under capital leases.....						(21,158)	(21,158)
Net increase in accrued self-insurance costs.....				6,876			6,876
Net increase in accrued annual leave.....					11,930		11,930
Balance, June 30, 1995.....	\$2,619,069	\$1,061,710	\$465,182	\$108,371	\$143,655	\$109,278	\$4,507,265

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 education and the construction of public schools in political subdivisions. Bonds have also been issued for local government improvements, including grants and loans for water quality improvement projects and correctional facilities, and to provide funds for 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 comprised 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, which are paid from the general obligation debt service fund, are backed by the full faith and credit of the State and, pursuant to the State Constitution, must be fully paid within 15 years from the date of issue. Property taxes, debt service fund loan repayments and general fund appropriations provide the resources for repayment of general obligation bonds.

Bonds issued after January 1, 1988, are subject to redemption provisions at the option of the State.

As of June 30, 1995, the State has \$310,515,000 of defeased debt outstanding.

General obligation bonds issued and outstanding, as of June 30, 1995, are as follows (amounts expressed in thousands).

Issue	Maturity	Interest Rates	Principal Issued	Principal Outstanding
7/1/80	1984-1996	6.00-6.25%	\$ 121,970	\$ 14,250
7/1/81	1985-1997	9.20%	91,915	21,040
11/15/81	1985-1997	11.30%	96,265	22,900
7/1/82	1986-1998	11.00-11.20%	140,495	50,740
12/1/82	1986-1998	8.30-8.40%	126,735	43,975
6/30/83	1986-1998	8.20-8.40%	125,000	41,470
3/1/84	1987-1999	8.00-8.20%	116,700	49,640
9/1/84	1988-2000	8.50-9.00%	138,990	71,205
3/1/86	1989-2001	6.40-6.50%	124,585	72,375
7/15/86	1990-2002	6.50-6.70%	164,645	105,005
7/1/87	1991-2003	6.30-6.50%	144,860	101,620
1/1/88	1991-2003	6.50-7.00%	80,000	24,750
5/15/88	1991-2003	5.20-6.88%	80,000	24,750
10/15/88	1991-2003	6.00-7.00%	80,000	29,980
3/1/89	1992-2004	6.25-6.80%	80,000	29,980
7/15/89	1992-2004	6.40-6.50%	80,000	35,025
3/1/90	1993-2005	6.00-6.70%	130,000	56,945
4/1/90	1995-2000	6.10-6.60%	24,227	7,893
7/15/90	1994-2006	6.40-6.80%	95,000	55,630
10/15/90	1994-2006	6.10-7.10%	95,000	46,880
3/15/91	1994-2006	5.50-6.50%	95,000	64,905
6/1/91	1996-2001	5.60-6.10%	11,787	11,611
7/15/91	1995-2007	5.50-6.50%	100,000	83,985
10/15/91	1995-2007	5.10-6.10%	120,000	113,625
5/13/92	1995-2007	4.40-6.00%	120,000	113,605
1/13/93	1996-2008	4.75-5.50%	130,000	130,000
5/19/93	1996-2008	4.50-5.50%	130,410	130,410
5/19/93(a)	1994-2006	4.50-5.10%	147,740	144,900
10/6/93	1997-2009	3.00-4.75%	140,400	140,400
10/6/93(a)	1995-2007	3.00-4.75%	143,145	141,540
02/16/93	1997-2009	3.50-4.75%	119,965	119,965
02/16/93(a)	1995-2003	3.50-4.75%	64,245	63,130
5/18/94	1997-2009	4.88-5.50%	120,000	120,000
10/15/94	1998-2010	5.00-6.00%	160,000	160,000
3/18/95	1998-2010	5.00-5.70%	175,000	175,000
			\$3,914,079	\$2,619,069

(a) Refunding Debt