

6. Due From/To Other Funds:

Interfund receivables and payables, as of June 30, 1997, consist of the following (amounts expressed in thousands).

Receivable Fund	Payable Fund	Amount
General Fund	Special Revenue Fund — Maryland Department of Transportation	\$ 3,052
	Pension Trust Fund — State Retirement System	4,092
	Enterprise Fund — Loan Programs	1,443
	Enterprise Fund — Maryland State Lottery Agency	33,159
Special Revenue Fund — Maryland Department of Transportation	General Fund	252,614
	Enterprise Fund — Loan Programs	1,000
Special Revenue Fund — Maryland Transportation Authority	Special Revenue Fund — Maryland Department of Transportation	13,468
Agency Funds —		
Local Income Taxes	General Fund	654,713
Pension Trust Fund — State Retirement System		
Enterprise Funds —	Mass Transit Administration Pension Plan	10,819
Economic Development —		
— Insurance Programs	General Fund	101,699
— Loan Programs	General Fund	71,733
Maryland State Lottery Agency	General Fund	41,412
State Use Industries	General Fund	8,560
Components Units —		
Higher Education Fund	General Fund	292,949
Maryland Stadium Authority	General Fund	53,577
Maryland Food Center Authority	General Fund	5,124

7. Loans and Notes Receivable and Investment in Direct Financing Leases:

A. Loans and Notes Receivable:

Loans and notes receivable, as of June 30, 1997, consist of the following (amounts expressed in thousands).

	Primary Government					Component Units	
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	Higher Education	Proprietary Fund Types
Notes receivable for advances of bond proceeds:							
Political subdivisions:							
Water quality projects.....			\$ 9,010		\$ 238,910		
Construction.....		\$16,000	103				
Other.....			3,149				\$6,887
Hospitals and nursing homes.....			15,167				
Permanent mortgage loans.....					2,346,504		
Student and health profession loans.....						\$63,132	
Shore erosion loans.....				\$15,060			
Other.....	\$1,046					4,113	
	1,046	16,000	27,429	15,060	2,585,414	67,245	6,887
Less allowance for possible loan losses.....			359		15,695	9,188	
Loans and notes receivable, net.....	\$1,046	\$16,000	\$27,070	\$15,060	\$2,569,719	\$58,057	\$6,887

Notes receivable for advances of general obligation bond proceeds bear interest at rates ranging from 9.2% to 13.9% and mature over approximately 40 years.

Water quality project loans consist of loans to various local governments and other governmental entities in the State for wastewater projects under the United States Environmental Protection Agency's (EPA) Capitalization Grants for State Revolving Funds federal assistance program.

The permanent mortgage loans consist of financing for single and multi-family projects, rental projects, small businesses, industrial sites and various other purposes.

Student and health profession loans are made pursuant to student loan programs funded through the U. S. Government.

B. Investment in Direct Financing Leases:

As of June 30, 1997, the Maryland Environmental Service (Service) has direct financing leases with the State of Maryland. The present value of the direct financing leases as of June 30, 1997, is \$9,106,000. As of June 30, 1997, the Service held \$5,972,000 to be spent to complete assets under these direct financing leases. Lease payments